

# LABOR-MANAGEMENT RELATIONS

## Organizing the Unorganized

Underlying every union program is the knowledge that success is related to the strength and vigor of the labor movement. An indispensable ingredient of that strength, at any given time, is the state of union growth.

It is not, of course, just in terms of ability to carry out programs that organized labor is concerned about growth. More basic is the historic mission to advance the welfare of working people, organized and non-organized alike.

A clear indication of Labor's commitment to the needs of those outside union ranks is the continuing AFL-CIO effort to increase the national minimum wage, to expose violations of the Fair Labor Standards Act, and to expand its coverage. Labor's most effective means of helping non-union employees, however, is to bring them into union membership.

From its early days, therefore, American Labor has recognized the prime importance of organizing unorganized workers. Today that is still a primary union objective.

In pursuit of that goal, AFL-CIO affiliates have been devoting more resources and attention to organizing. Some international unions have added to the size of their organizing staffs; some unions have conducted, either through their own facilities or in cooperation with the AFL-CIO, special training programs for organizing personnel. AFL-CIO central bodies, both state and local, have initiated, or improved, programs of organizing assistance to their affiliates while local union officers and members in many areas have responded to the call for participation in the organizing task.

Throughout the labor movement, there is a growing awareness that organizing, today, requires an input of skill and excellence that is second to no phase of trade unionism. In addition, the degree of organizing cooperation among AFL-CIO unions is probably at the highest point since merger. In strategic locations around the nation, representatives of AFL-CIO unions are taking part in cooperative organizing programs, under the coordinating impetus of AFL-CIO. These coordinated organizing efforts are being conducted along industry lines, as well as on a geographical basis.

While organizing emphasis and cooperation among unions have increased, there has also been a regrettable rise in the intensity and dimension of employer opposition. This mounting resistance is reflected in the proliferation of "labor consultants", in heightened demands of professional labor-haters for wholesale revision of the national labor legislation, and in the spiralling increase in unfair labor practices committed by employers during organizing campaigns. Recently, for at least the third time in four years, the Chairman of the National Labor Relations Board publicly deplored the fact that "some parts of the American community and their lawyers" continue to wage an unremitting and relentless battle against the national labor policy of promoting free collective bargaining and the exercise of organizing rights.

Despite such opposition, working men and women have continued to choose collective bargaining as the way to meet their problems on-the-job and elsewhere. No matter how formidable the obstacles or coercive the resistance, working men and women taking part in collective bargaining elections conducted by NLRB continue to "go union" most of the time.

In the public sector, with the issuance of President Kennedy's Executive Order 10988 in 1961, union growth increased. In the past three years the advance has been remarkable. More than half the employees of the federal government are now covered by union negotiated agreements, while in state and local employment unprecedented gains have been registered. Union membership among public employees stands at the highest point in history.

In keeping with organized labor's sense of mission, AFL-CIO unions must be especially sensitive to the needs of those Americans who work and live in conditions that are intolerable in a society truly concerned with the well being of its members. Any honest reading of the record establishes the fact that AFL-CIO unions have shown that sensitivity, not so much in news-seeking statements, but in organizing deeds and in collective bargaining achievements.

From the most to the least, workers still must turn to collective action to solve common problems and attain common goals. Wherever workers have come forth to demand their organizing rights, AFL-CIO unions are there, first and foremost. Whether they be black hospital workers in South Carolina facing Sherman tanks and state militia; municipal employees in Tennessee or Texas facing hostile city officials and an atmosphere of murderous hatred; Mexican-American and Filipino farm workers in California beset by the power structure of that state's biggest industry, agriculture, buttressed in its vicious opposition to the union by the radical Right—wherever they are, and whoever they are, they have found AFL-CIO unions

there, where the action is. The roster of AFL-CIO unions that have played significant roles in these struggles, that have come and stayed beyond the first blush of publicity, is virtually an all-inclusive one.

And when the workers share different levels of employment skill, whether professional engineers in New Jersey, college professors in Illinois, or medical technicians in Missouri, their cause in AFL-CIO's. It is a matter of pride and satisfaction to AFL-CIO unions that, with increased frequency, such workers are turning to them for guidance, assistance and affiliation.

Organizing the unorganized is one area of trade unionism for which no terminal date can be fixed. The mission will be accomplished only when all who want and need the benefits of collective bargaining obtain them. That is the ultimate goal. Therefore, be it

**RESOLVED:** 1. All AFL-CIO affiliates should continually analyze and reassess their programs and activities with a view to improving their own effectiveness in direct organizing efforts or in supporting roles.

2. Affiliated unions should commit the highest possible level of resources, including adequately trained organizing specialists, to the organizing mission.

3. AFL-CIO affiliates should provide all possible assistance in those organizing challenges that command the total support of the labor movement—among farmworkers, the disadvantaged, the working poor, professional employees, unorganized workers in areas of the nation where employer opposition combines with unique geographical and regional factors to add special organizing impediments

4. We call on all affiliates to actively participate, or in all other ways support, AFL-CIO sponsored cooperative organizing programs, recognizing that such programs are not only an effective method of organizing but often, today, the necessary organizing approach.

## Collective Bargaining

Collective bargaining is the proven mechanism through which workers have a voice in establishing the conditions of employment. It fosters industrial democracy at the work-place, instead of autocracy or paternalism. It makes an essential contribution to the economic well-being of the entire nation, by helping to raise wages and improve the fringe benefits of organized workers. It contributes to higher living standards for all wage and salary

earners and to expanding consumer markets, which are the base of the American economy.

Time and again, collective bargaining has been challenged and has proved its vitality, ingenuity and flexibility. In the past quarter of a century of rapid and radical changes in technology—with changing production methods, reduced labor requirements, shifts in job skills, increased business mergers and changes in industry location—collective bargaining has led the way in the development of practical and workable procedures to deal with radical industrial changes at the work-place. In tens of thousands of labor-management agreements, in a wide variety of different industries and occupations, collective bargaining has provided measures for humanizing the impact of technological change.

Collective bargaining is the only way wage and salary earners can attempt to achieve a fair share of the benefits of industrial progress. It has contributed substantially to wage levels and job security. It has established orderly procedures for resolving grievances, reducing hours of work, attaining paid vacations and holidays, health-welfare and pension plans, safety standards, supplemental unemployment benefits and work guarantees.

Confronted by the increase in business mergers and growth of giant, multiplant corporations, whose employees are represented by several unions, there have been increased efforts to strengthen and coordinate organized labor's collective bargaining, through voluntary agreements among the affected unions.

It is a tribute to the collective bargaining process, with all of its human imperfections, that great advances have been achieved with a high degree of industrial peace. In recent years, less than three-tenths of one percent of available working time has been lost due to strikes or lockout.

In a country of continental size, collective bargaining has developed workable structures and procedures to meet the needs of different wage and salary earner groups in America's great variety of industries, occupations, trades and labor markets. About 150,000 collective bargaining agreements between tens of thousands of employers and the 121 national and international unions of the AFL-CIO and their estimated 60,000 local unions cover millions of workers across the length and breadth of the country. No single formula for wage and fringe benefit determination can possibly be applied and enforced in the multitude of differing situations.

This flexibility and adaptability largely accounts for the successful spread of collective bargaining. In recent years, it has been expanding significantly among government employes—federal, state and local—and also among such diverse groups as schools teachers, retail sales clerks, hospital employes and serv-

ice workers. There is increasing public awareness that the popular TV actor, motion picture star, symphony orchestra musician and newspaper reporter are probably union members, protected by collective bargaining contracts, as well as workers in industrial factories, construction, printing, the railroads and airlines and, after years of effort, workers on the nation's farms.

Despite its record of positive accomplishments, attacks on collective bargaining continue. The enemies of organized labor seek to weaken and destroy collective bargaining at the same time that they seek to undermine unions. Through so-called "right-to-work" laws, well-financed programs that seek to alienate workers from unions, and through propaganda for anti-trust regulations of unions and compulsory arbitration, there are attempts to hamper unions and to restrict the ability of organized labor to engage in effective collective bargaining.

In addition, collective bargaining is inhibited by lack of legal protection in a number of areas. Farm workers are still denied the basic right to bargain over wages and condition of employment. Therefore, be it

**RESOLVED:** The AFL-CIO and its affiliated unions are determined to advance collective bargaining as a major bulwark of a free society. We rededicate ourselves to preserve and extend the right of working men and women to organize and freely negotiate agreements with their employers, concerning the conditions of employment.

We will work for the continued extension of collective bargaining to all wage and salary workers.

We will continue to press for wage and salary increases to offset rising living costs and to advance buying power. We reiterate our conviction that wage and salary earners deserve to share equitably in the rising productive potential of the nation and to achieve a greater share in the distribution of income.

We will continue to seek improvement in conditions of work. We will seek to advance the security and welfare of workers through improved job security programs, including better health-welfare plans, improved pensions, training and transfer programs, as well as new programs for guaranteeing employment and improved supplemental unemployment benefits.

We will continue to support the voluntary efforts of affiliated unions to coordinate their bargaining with conglomerate firms and with firms in the same industry.

We will also continue our attempts to reduce working hours through reductions in scheduled hours; as well as longer vacations, additional paid holidays and other increases in leisure.

We seek these collective bargaining objectives to improve American working and living standards and to bring a more equitable distribution of the fruits of our country's productive power to the working men and women of the United States.

## **Collective Bargaining Rights for Employes of Universities**

WHEREAS, Higher education is a growing enterprise in our nation, and

WHEREAS, Colleges and universities are expanding and substantially increasing the number of their employes, and

WHEREAS, Large numbers of college and university employes are denied the full rights to unionization and collective bargaining; therefore, be it

**RESOLVED:** That the AFL-CIO urge the NLRB to assume jurisdiction over the employes of institutions of higher education whether or not those institutions are operated on a "not-for-profit" basis.

## **NLRA Coverage for Hospital and Nursing Home Employes**

WHEREAS, the use of hospitals and nursing homes has vastly increased and they have expanded their facilities and increased the number of their employes, and

WHEREAS, Several hundred thousand employes of hospitals and nursing homes are still not protected in their right to unionization because of the specific exclusion of non-profit hospitals under the National Labor Relations Act and because of the failure of the NLRB to assert jurisdiction over non-profit nursing homes, and

WHEREAS, Employes of hospitals and nursing homes are among the lowest paid working men and women in our nation while making a tremendous contribution to its welfare; therefore, be it

**RESOLVED:** That the AFL-CIO increase its efforts to secure NLRA coverage for the employes of non-profit hospitals and continue to urge the NLRB to assume jurisdiction over non-profit nursing homes.

## Barring Labor Law Violators from Receiving Government Contracts

WHEREAS, The entire nation has been shocked by the vicious, unremitting coercion with which J. P. Stevens & Co. has opposed the efforts of its employes to organize and build a union of their own. But Stevens is not the only offender. The ruthless opposition of other textile employers to unionization has been documented in case after case by the National Labor Relations Board, and

WHEREAS, Thousands of workers in other industries have likewise been denied the right to organize by venal employers who boldly and flagrantly violate the National Labor Relations Act. These workers are being denied a right which forms the keystone of American industrial democracy—the right of working men and women to associate freely to build effective unions. This right is a basic freedom protected by the Constitution of the United States in the same way the Constitution guarantees to all men the right to be free from discrimination because of race, religion or national origin, and

WHEREAS, The nation's attention has been sharply focused on the evils of racial discrimination in the last decade. We have been made aware of the destruction of men's souls that can result from this pernicious practice. Congress has legislated to make a reality of the right guaranteed in the Constitution to be free of racial discrimination and previous Presidents have added the power of the Executive Department to this struggle. They have done so by acting decisively to protect from racial discrimination government employees, persons involved in government programs and those employed by private contractors to work on government orders. Executive orders have been issued to achieve these ends, and

WHEREAS, Meanwhile, nothing is being done by the Executive Department to protect employes of Stevens and other union-busting firms, who are working on government contracts, from the discrimination practiced against them when they seek to exercise their right to form a union. These employers continue to be rewarded by the United States with lucrative defense contracts despite the fact that the same government has branded them as lawbreakers for having deprived their workers of one of the basic civil rights—the right to organize. In this regard, it is significant to note that Stevens alone sold \$130-million worth of merchandise to the United States Government in fiscal 1966 and 1967, and

WHEREAS, The labor movement has strongly condemned this state of affairs. It has made it clear that if an employer seeks to profit from government contracts, it is only basic justice to

require him to give assurances that he, like the government he is working for, must respect all the civil rights of the workers who make the products that generate these profits. The AFL-CIO endeavored to implement this policy by appointing a committee with President Johnson to urge him to take action to bar flagrant labor law violators from bidding on and obtaining lucrative government contracts. The committee met with President Johnson; it explained the problem; it impressed upon him the need for action. But no action has been taken and J. P. Stevens continues to violate the law and at the same time received government contracts; and, therefore be it

RESOLVED: That we call upon the President of the United States to issue an executive order establishing the policy that flagrant labor law violators are no longer qualified to receive government contracts, and be it further

RESOLVED: That we call upon the President to promulgate adequate regulations, consistent with our nation's military commitments, to implement that policy.

## Coordinated Bargaining With General Electric and Westinghouse

Three years ago, the AFL-CIO unions which have contracts with the two giants of the electrical industry, General Electric Co. and Westinghouse Corp., formed a joint committee under the chairmanship of AFL-CIO President George Meany in order to establish common goals and coordinate their bargaining efforts.

This first large-scale introduction of coordinated bargaining was a success. It brought to an end the traditional GE practice of playing off one union against another. It broke the pattern of "Boulwareism" by winning better terms than GE's so-called "first and final offer."

The contracts negotiated three years ago will expire this month. Once again the unions are coordinating their efforts. Although the corporations are not challenging the validity of co-ordination, as they did in 1966, neither are they moving to correct long-standing shortcomings in existing contracts.

It is clear that only through a united effort, as established by the AFL-CIO Coordinated Bargaining Committee, can justice be assured for the employes of these huge corporations. Therefore, be it

RESOLVED: We commend the unions which comprise the AFL-CIO Coordinated Bargaining Committee for their trade union solidarity, and pledge our wholehearted support for their

continuing efforts to achieve for General Electric and Westinghouse workers the economic progress, the contract safeguards and the union security enjoyed by workers in other segments of our economy.

### **Subcontracting Government Printing**

WHEREAS, The federal government through the public printer is probably the largest subcontractor of printing in the United States, and

WHEREAS, A very large proportion goes to unfair shops denying work to union printing craftsmen, and

WHEREAS, Pressure should be brought to bear on the public printer to channel all contracted-out work into fair printing shops, Therefore, be it

**RESOLVED:** That the AFL-CIO, by contact with government representatives and any other means available, endeavor to have such work diverted and directed to fair employers under union standards and union conditions of employment representing fair wages and working conditions.

## **SOCIAL SECURITY AND COMMUNITY SERVICES**

### **Old Age, Survivors, Disability and Health Insurance**

There is almost universal agreement that the Social Security System has operated successfully over the more than 30 years of its existence. It enjoys overwhelming public acceptance and few dispute its administrative efficiency. Organized labor can be justifiably proud of its contribution to the establishment of this cornerstone of our social insurance system. We cannot, however, rest content, for in spite of 30 years of effort, social security beneficiaries still do not have adequate economic security.

40% of our older population is poor or near-poor and more than 5 million of them have yearly incomes below the poverty level.

Widows and other aged women living alone are particularly disadvantaged economically. Six out of ten of them have incomes below the poverty line.

Social Security benefits paid in April of 1969 averaged \$99.42 a month for the retired aged worker, \$51.42 for the spouse, and \$86.70 for the aged widow.

The gap between the incomes and living standards of older people and those of the rest of the population is getting worse rather than better. The individual who retired in 1954 is receiving a higher Social Security benefit today but the buying power of this higher benefit is worth less than the benefit he was receiving 15 years ago.

Though Medicare has been of great benefit to the aged, the program pays less than one-half of their health care costs.

Disabled beneficiaries are still not covered by Medicare although they experience health costs  $2\frac{1}{2}$  to 3 times that of the aged and 5 to 6 times that of the general population.

These facts represent a national challenge. But the challenge of economic security for the aged, disabled, and their families cannot be met by tinkering with the present provisions of the law. What is needed is a bold program of reform. Therefore be it

**RESOLVED:** The AFL-CIO urges the following major improvements in the Social Security Act.

That the Social Security benefits be increased 50% and benefits adjusted.

Loopholes in the tax structure provide financial assistance to wealthy hobby-farmers, who use their ownership of agricultural assets as tax shelters.

Yet there is no comprehensive program for the retraining and re-employment of those displaced from agriculture.

While rural redevelopment plans have been enacted to counter the decay of many small rural towns that have lost their economic base, the resources appropriated are still too scant to meet the needs of such depressed communities.

AFL-CIO's support for a major national effort to aid rural Americans reflects our belief that rural people deserve to share equitably in the economy's progress. It is also based on the evident fact that solving the urban crisis partly depends on ability to improve living standards in rural areas. Therefore be it

**RESOLVED:** 1. We recognize that the unique problems of agriculture require government aid to help many farmers obtain a fair return for their production. However, a reasonable ceiling should be placed on the amount of federal aid paid to any farm. Excessive payments to large and profitable farm enterprises cannot be justified.

2. Since most farmers must sell their products in markets dominated by a few buyers who enjoy superior bargaining power, we support appropriate efforts by farmers to bargain collectively for a reasonable price. By this means, dependence on government income-maintenance outlays should be reduced.

3. We urge Congress to enact the tax loophole-closing proposal of S.500 introduced by Senator Metcalf and endorsed by a bi-partisan group of 26 Senators, to end this special benefit to the tax-loss hobby farmers, while assuring that legitimate farm operators will not be penalized.

4. The denial to farm workers of protection, long accorded other workers under federal and state laws, must end. Farm workers must be included in the coverage of the National Labor Relations Act, the Fair Labor Standards Act, state unemployment and workmen's compensation laws and other federal and state protective and social welfare legislation.

5. Special programs must be developed to provide rural inhabitants, and especially migratory workers and their families, with adequate education and library facilities, the opportunity for decent housing, health-care facilities and day-care centers.

6. Continued failure to adequately cope with the ill-health, malnutrition, and even hunger in rural areas is not tolerable. A federal welfare system is essential or, at least, adoption of adequate minimum federal welfare standards, with sufficient federal financing. Food distribution programs must be federally administered wherever states and local communities refuse to cooperate and they should be dedicated to meeting human needs.

7. To encourage job creation and improve the quality of rural life, the AFL-CIO supports expansion of the approach of the Appalachia regional program, the Economic Development Act and other federal programs to accelerate the building of highways, hospitals, schools, housing, manpower training and other community betterment projects in rural America.

8. Discrimination against minority groups must be ended.

9. We urge the initiation of a federally supported public-service employment program to create useful jobs for the hard-core unemployed and seriously under-employed in rural, as well as urban areas. Such a program would engage the unemployed at useful tasks, restore self-respect and teach useful skills.

## Unemployment Insurance

The President in his unemployment insurance message to Congress on July 8, 1969, said "The best time to strengthen our unemployment insurance system is during a period of relatively full employment."

Strengthening the system has been a goal of organized labor for more than a quarter of a century. Despite vigorous and continued efforts by AFL-CIO state bodies to improve state programs, the system is today inadequate and obsolete. This experience at the state level has convinced us that comprehensive federal legislation is essential if the system is to provide effective protection to jobless workers and their families.

The President's failure to call for federal minimum standards to improve the system can only result in jobless workers, their families, their communities, and the nation reliving the experiences of the late 1950's. President Eisenhower's repeated pleas to the states for unemployment compensation improvements went unheeded at that time, and there is no reason to assume the requests of the present Administration will be afforded any greater attention.

Each year between 1954 and 1958 the President of the United States called upon the state legislatures to amend their unemployment insurance laws.

He specifically urged that (1) protection be extended to more workers; (2) benefits be increased so that the great majority of covered workers could receive a weekly benefit equal to one-half their average weekly wage; and (3) unemployed workers be able to draw benefits for a period of twenty-six weeks if needed.

When President Eisenhower made this plea, no state met all these objectives. When he left office only one state met them. Today—fifteen years since his original plea and nine years since he left office—only two states are close to meeting these objectives.

This record of dismal failures on the part of the states cannot be overlooked. The clearest lesson to be learned from this past experience is that the states are unable or unwilling to modernize the federal-state system of unemployment compensation.

The system has been deteriorating for years. The recessions of 1958 and 1961 both required the passage of emergency patch-work unemployment insurance legislation. Eight years of economic growth have failed to eliminate the need for emergency measures to shore up the system. Less than six months ago, the Department of Labor had to request Congress for more emergency legislation in order to obtain the revenue needed to operate the program at its present level for the next few years.

The AFL-CIO is convinced that this record alone justifies the assumption of a stronger federal role in the unemployment insurance system. However, additional indications are also available that point to the need for federal action if the system is to be improved.

At the present time, twenty-five percent of the American workforce—sixteen to eighteen million workers—are not covered by the program.

The existing federal-state system is moving away from its basic objective of providing minimum income protection to the unemployed. Ten years ago, more than half the unemployed drew some benefit from the system. Today, only three out of ten unemployed workers receive any benefit from it.

Weekly benefits—despite assurances given Congress in 1966 that the states could be relied upon to improve them—are maintained at such woefully inadequate levels that in a majority of states jobless workers dependent on the program are unable to

maintain their families at even a poverty level of subsistence. The relationship between the maximum weekly benefit available under state laws and the state average weekly wage has been declining for years. In the 1930's, in the majority of states, the maximum weekly unemployment insurance benefit was established at a level equal to between 60 and 66½ percent of the state average weekly wage. Today, the maximum weekly unemployment insurance benefit in thirty states is less than 50 percent of the statewide average weekly wage. In some states, the maximum weekly benefit has dropped to a level equal to little more than 30 percent of the state average weekly wage.

The problem of inadequate benefit levels is compounded by the additional neglect of the federal government in the areas of eligibility, disqualifications, and financing. Under existing arrangements, eligibility and disqualification provisions can be and are manipulated to deny the meager protection of the program to many workers.

The taxable wage base established in 1939 permits approximately one-half the tax base—wages in covered employment—to escape the impact of the tax. Experience rating and zero tax rates are also utilized to deprive the system of revenue. The erosion of the tax base and the destruction of the benefit structure over the past thirty years are directly related. These developments can be traced to the abdication of federal responsibility for maintaining an adequate unemployment compensation program.

The Administration's proposals to strengthen the system will do little to achieve this desired goal unless they are substantially improved. Therefore, be it

**RESOLVED:** The AFL-CIO reaffirms its support for a comprehensive reorganization and fundamental improvement of the unemployment insurance system under a single federal program. Pending such reorganization, we urge Congress to enact without delay unemployment insurance legislation to provide uniform minimum standards for benefits, duration, eligibility, disqualifications, and genuine tripartite representation on advisory committees, commissions, and appeals boards.

To achieve these objectives the AFL-CIO urges the Congress to:

extend coverage to all wage and salary workers including workers in small firms—employers of one or more workers at any time—domestic workers, agricultural workers, workers employed by nonprofit organizations, and workers employed by state and local governments

establish reasonable qualifying requirements (maximum limits for state laws should not exceed 20 weeks of work or its equivalent)

require duration provisions in state laws that would maintain the original concept of a 6 month benefit period based on a 5 month work period (26 weeks duration for 20 weeks of work)

encourage the states to eliminate the waiting week by requiring it be compensated retroactively after a few weeks of unemployment.

limit disqualifications in all cases to a fixed period (the maximum period to be established at six weeks)

prohibit the disqualification of a worker participating in a training program

prohibit application of a state disqualification period in claims involving labor dispute issues

prohibit the reduction or cancellation of a workers benefit rights or base period wages

enact minimum benefit standards that will permit the application of the following principles for establishing state benefit levels:

1. The weekly benefit amount should replace a specified portion of the individual worker's full-time weekly wage, preferably not less than  $66\frac{2}{3}$  percent or 1/20 of high-quarter earnings. This wage replacement principle should be applied to the great majority of covered workers. Individual benefits of  $66\frac{2}{3}$  percent of weekly wage-loss are needed in most cases to cover non-deferrable living expenses and maintain normal family living standards.

2. The base for computing benefit amounts should be the worker's full-time gross weekly earnings during those weeks of the base year when earnings were highest.

3. Dependent allowances may supplement an adequate basic benefit schedule, but they should be provided only as a specified flat increment per dependent, entirely separated from and supplemental to the basic benefit schedule.

improve the financing of the system by permitting reduced rates on a basis other than experience rating, prohibiting zero tax rates, and raising the taxable wage base, in steps,

to the same base used for purposes of financing Old-Age and Survivors Insurance.

Federal legislation should also be enacted to establish an extended benefit program on a continuing basis for long-term unemployed workers who have had a firm attachment to the labor force. This program should also provide adequate opportunity for such workers to obtain vocational guidance and training as well as other appropriate types of assistance needed to qualify them for suitable jobs.

## Temporary Disability Insurance

The AFL-CIO has on previous occasions cited the need for amending the Social Security Act to provide protection against short-term as well as long-term disability. The problem of wage-loss stemming from non-occupational injury and illness is catastrophic for many of the nation's workers and their families.

Workmen's compensation is designed to protect workers who are victims of occupational injury or illness. Unemployment compensation is designed to protect jobless workers during periods of temporary unemployment. However, workers who are temporarily jobless due to a non-occupational illness or injury are left without income protection under any federal law and most state laws.

Collectively bargained insurance programs provide some workers which temporary disability insurance protection. Unilaterally established employer programs protect other workers. However, only five states and Puerto Rico have afforded this type of wage-loss protection to workers temporarily disabled due to non-occupational illness or injury. Hawaii and Puerto Rico have only recently established these programs.

Proposals for state temporary disability insurance laws should be carefully evaluated in the light of organized labor's objectives of providing adequate protection. We do not favor worker contributions in programs involving employer experience rating or "merit rating."

The AFL-CIO favors coverage by exclusive state funds thereby eliminating the profit motive from a program designed to give protection to workers and their families. This could be done through coordination with the unemployment compensation pro-

gram in any state, or the workmen's compensation program in the states that have their own fund. The utilization of private insurance is not an appropriate nor economical means of providing temporary disability protection under programs established by governmental action. Therefore, be it

**RESOLVED:** The AFL-CIO reaffirms its historical position favoring a federal program of temporary disability insurance integrated with the Social Security Program of old age, survivors, disability and health insurance. But, short of this goal, the establishment of state programs coordinated with state unemployment or workmen's compensation funds should be encouraged.

## Workmen's Compensation

WHEREAS, Workmen's compensation, the nation's oldest form of social insurance, is still geared to the needs of a horse and buggy society, and

WHEREAS, The failure of state workmen's compensation programs to achieve their purpose of assured, prompt and adequate payment to injured workers and their families is a cruel fraud upon the workers who need this protection most. The failures of the patchwork of 52 diverse programs becomes more apparent each year. That is why we reaffirm AFL-CIO support for federal minimum standards for state workmen's compensation laws. These standards have been outlined in detail in resolutions of earlier conventions, and

WHEREAS, Income benefits are so inadequate that in a majority of states the maximum benefit is less than the poverty borderline, and a quarter of the workforce has no protection at all, and

WHEREAS, The retrogression of workmen's compensation has been precipitous. In 1940, the maximum benefit for temporary total disability equaled or exceeded 66 $\frac{2}{3}$  percent of the state average wage in all but 11 states, and was 50 percent or more in all states. Today only four states meet the figure and only 17 have a maximum as high as 50 percent, and

WHEREAS, The inadequacy of workmen's compensation benefits for more serious injuries is even worse. A worker permanently and totally disabled, or the family of a worker who is killed, can suffer a lifetime of poverty, and

WHEREAS, Limited medical care is another glaring deficiency. Money and time limits on medical care are still specified in the provisions of 18 state laws. Under these circumstances, some injured workers are forced to pay sizable amounts toward the cost of medical treatment for a work injury, and

WHEREAS, Some states completely deny either medical or income benefits in cases of occupational disease. The present controversy over the tragic fate of uranium miners vividly exemplifies the obsolescence of the present workmen's compensation system. Many of these miners are afflicted with lung cancer caused by the inhalation of random gas. However, only one state affords these workers the protection of its workmen's compensation program; therefore, be it

**RESOLVED:** Congress must at long last recognize that separate state systems of workmen's compensation, operated without federal participation of any kind, are not only incongruous in present-day America but are almost doomed to be inadequate. A federal system must be created, with these minimum provisions:

1. Compulsory coverage of all workers, regardless of occupation or the numerical size of the work-group.
2. Full protection for all forms of job-incurred accidents or ailments, including those which by nature may not manifest themselves until years later.
3. Weekly benefits of at least two-thirds normal full-time earnings.
4. No arbitrary or unrealistic schedules of medical or hospital fees.
5. Administrative safeguards to insure that every worker gets all that is due him.
6. Passage of H.R. 6780, workmen's compensation legislation introduced by Congressman Carl D. Perkins of Kentucky, Chairman of the House Committee on Education and Labor, would be a first step in the direction of establishing minimum federal workmen's compensation standards. We call upon the Congress to enact H.R. 6780 at the earliest possible date.
7. The AFL-CIO urges the Congress to enact without delay the pending amendments to the Longshoremen's and Harbor Workers' Compensation Act contained in H.R. 13389 and S.2487. Enactment of this legislation will restore this workmen's compensation law to its former and long-held position of pace-setter in the field of workmen's compensation.

## **Longshoremen's Act**

WHEREAS, Longshoremen who are injured on the docks or on the ships in the course of their employment have always enjoyed a right to bring an action against the shipowner and the ship for damages resulting from the injuries, and

WHEREAS, In 1927, a compensation law was passed as between the longshoremen and their employers making compensation the exclusive remedy as between the longshoremen and the stevedore companies, their employers, but preserving the right to damages against the shipowner and the ship and providing further that the longshoreman is required to repay to his employer the value of the compensation received from any third party damage action against the shipowner or the vessel, and

WHEREAS, The amount payable under the Longshoremen's Act has become unconscionably inadequate and certain Congressmen and Senators have submitted a bill to increase the amount of weekly compensation and otherwise liberalize the compensation law as between the longshoreman and his stevedore employer, and

WHEREAS, The Secretary of Labor has expressed an intention to submit to the Congress a proposal which would eliminate actions against third parties, the shipowners and the vessels; completely all damage actions both against the shipowner and the employer and leave the longshoreman solely with his compensation remedy which is utterly inadequate to compensate a man for injuries suffered, and

WHEREAS, Only seven per cent of American commerce, import and export, is handled by American flag ships and ninety-three per cent is handled by foreign flag ships so that the real benefit will accrue to the foreign flag operators, and

WHEREAS, The injured longshoreman will be irreparably damaged and impoverished as a result of this legislation; therefore, be it

RESOLVED: That the AFL-CIO Convention goes on record as opposing any legislation which would abolish the damage actions against third parties, the shipowners and the vessels; and that the Longshoremen's and Harbor Workers' Compensation Act be liberalized so that it becomes realistic.

## **Public Assistance**

In the present atmosphere of concern over how best to change our inadequate and unjust welfare system it is essential to remember who the people are that will be affected. Less than one-third of the nation's poor are not receiving any assistance at all,

and of the 9.4 million who receive federal welfare aid, 2.8 million are either blind, aged, or disabled and 4.9 million are children. Of the approximately 1½ million remaining adults, almost all are mothers with children, and only around 50,000 are employable males.

A widely held myth is that this proportionately small number of adults who are not either blind, aged, or totally disabled are not working because they lack the incentive. A system which begrudgingly allows a national average payment of less than \$10.00 a week—ranging from \$2.20 a week in Mississippi to \$14.50 a week in New York—clearly is not an incentive to voluntary idleness. What is lacking is not the incentive to work, but adequate training, day-care facilities and job opportunities.

No one can live anywhere on \$2.20 a week—or \$14.50 for that matter. The first and most obvious change that is necessary in our welfare program is simply more money—an increase in the national weekly \$10.00 average living allowance. A federalized program, providing assistance in an amount which will lift people out of poverty is long overdue.

The present system of providing training and securing jobs for people on assistance—the WIN program—has been both defective and inadequate. Aside from the coercive nature of the program, which we deplore, the original intentions appear to be sound and reasonable. However, the training has been inadequate, the few jobs people have been moved into rarely generate enough income to meet family needs, the “adequate” day care has not been provided for mothers with children, and in most areas, there are many more volunteers for participation in the WIN program, despite all its limitations, than there are openings.

A voluntary program that gives decent jobs and better income would provide sound motivation and more lasting improvements than a program tinged with compulsion and distrust. We favor exception from mandatory participation in work or training for mothers of pre-school children or children attending school except during the school hours.

A major step toward restoring dignity to public welfare recipients was taken by the past administration. A policy was initiated which would eliminate demeaning, detailed investigations of public assistance applicants. A simplified and more dignified method of establishing eligibility is being tested in the states and the decision will be made next year as to whether it will be uniformly used.

Although federal legislation now allows extending assistance to facilities in need because of the father's unemployment, less than half the states that the father be absent from the home before any assistance can be given to his family.

Many of the inequities in the present system can and should be eliminated. However, the basic injustices will remain until public assistance is made a federal program, with federal funding of welfare costs, federal standards of eligibility and nationwide minimum standards of payments. Therefore be it

**RESOLVED:** We urge the establishment of a federal welfare system. Until such action is taken, the present system must be along the following lines:

The AFL-CIO Congress to require the states to meet the level of assistance that they have established as necessary to meet minimum needs.

The administration of public assistance must be humanized by the immediate adoption of the simplified method of determining eligibility.

The Congress should make it mandatory that all states provide assistance to needy families with an unemployed parent.

The AFL-CIO urges that mothers of pre-school children be exempt from any work-training program, and those with school-age children only be required to participate during school hours.

## Medicaid

With the passage of Medicaid the nation committed itself to making comprehensive health care available to all needy and medically needy Americans. The program has not come close to achieving this goal and we still have a tremendous health gap between the nation's poor and non-poor.

The reasons for the lack of success of this program are inherent in the law. The basic reason is that Medicaid is not a program so much as it is a mechanism of pouring money into the existing system of health care.

From the start, the financing provisions of the law were inadequate to accomplish the objective of providing health care to persons who cannot afford it because they failed to provide federal participation for medical assistance for persons between the ages of 21 and 65. Congress further limited the program in the 1967 amendments both by setting unrealistically low income limits for participation and narrowing the scope of services required for the medically needy. This broke faith with those states which, relying on Federal support, had committed themselves to assure adequate health care to all people who could not afford it.

In 1969 the Congress—responding to the escalating costs of medical care, limited the Medicaid program even further. The

states had been required to come into the program offering at least the level of services that they had been prior to Medicaid. The federal money from the Medicaid law was to induce the states to bring the level of services up to where comprehensive health care would be available to all needy and medically needy people by 1975. Congress relieved the states of this responsibility by passing legislation which allows the states to reduce services now available, and postpones for two years any requirement of progress toward the original goal of the program. As there is no protection in the Federal law for those people termed medically needy—many states are, in many cases, simply eliminating large numbers from being eligible to receive any care at all.

Medicaid has effectively demonstrated the runaway cost of health care in the country. The answer to these uncontrolled costs is not to designate large groups of people to whom health care should not be available, but to establish methods of reasonable and effective cost controls.

A task force has been appointed by Secretary Finch to seek solutions to the problems highlighted by the Medicaid program. They have been given a mandate to seek solutions to problems in the area of management, eligibility determinations and effectiveness of use. As Medicaid costs and expenditures cannot be viewed in isolation but in the context of the total health care system, hopefully the task force will not only make recommendations to assure that the poor will receive decent health care, but also contribute to the organization of the total health care system; therefore be it

**RESOLVED:** The AFL-CIO endorses National Health Insurance as the only way of assuring quality health care to all people.

Until such time as we have a National Health Insurance Plan, we urge Congress to restore Medicaid's original objective of providing comprehensive services for all needy and medically needy people.

The AFL-CIO supports the adoption of simplified procedures for establishing financial qualification for Medicaid, designed to remove the administrative complexity and the stigma attached to the present system of establishing eligibility.

We urge Congress to establish uniform national standards of eligibility and quality of service available to recipients.

We recommend that the Medicaid program be used to encourage and develop better patterns of organization and delivery of health care.

## Mental Health

The Community Mental Health Center Program has in less than five years demonstrated its effectiveness in bringing mental health services to people who previously had no access to such services. This new program to combat and prevent mental illness represents a significant and important step forward especially in regard to the Federal role and participation in the financing of mental health care. By June 1970, about 500 centers will have been funded to provide services for more than 75 million persons in communities ranging from the poorest counties of Appalachia to urban areas and the suburban fringes of the country's major cities.

The Community Mental Health Center Program is therefore having a forceful impact on the quality of life in our country and represents a major development toward a rational comprehensive network of health services for all Americans. It can be a vital force in the AFL-CIO's campaign to alter and improve the traditional patterns of the organization, delivery and financing of health care.

It is now evident that if these mental health centers are to continue to develop viable programs of high quality mental health services, reflecting and responsive to community needs, some changes are needed to meet problems which have emerged. Existing centers faced with termination of Federal support are desperately seeking State and local fiscal resources as well as private sources to enable them to continue services without curtailment and, in some cases, to keep from closing their doors completely.

Future programs are in jeopardy and they will encounter similar difficulties unless Federal support is extended in amount, scope of costs supported and duration of support. Beyond this, State and local governments must develop continuing fiscal mechanisms through which they can contribute to and fulfill their fiscal responsibilities for these programs.

The disparities in resources and services in urban and rural poor areas are particularly acute. It is therefore desirable that special consideration be given to such communities to strengthen their capacities to plan for mental health services and to compete for Federal grant support. Moreover, in recognition that the urban and rural poor are in greatest need of community-based mental health services, preferential Federal funding should be provided for mental health center programs to serve them.

In negotiating for mental health benefits, all affiliates should give special attention to the potentialities of contracting for mental health services directly from community mental health centers. Where insurance benefits are negotiated, attention should

be given to assuring full and comprehensive coverage on a pre-payment basis with no financial deterrents to utilization for services provided by the mental health centers. Similarly, special attention should also be given to the potentialities of mental health programs which are components of or integrated with comprehensive health care plans, including those of union health centers.

Of particular concern are the alcohol and drug abuse programs as part of community mental health services. The Trade Union movement has long been concerned with the inadequacy of treatment and rehabilitation programs for alcoholics. In recent years the abuse of narcotics and other dangerous drugs has also become a major public health problem of national concern.

There is increasing recognition of the fact that the problem of alcohol and drug abuse represents the end product of many social, psychological and cultural forces rather than a purely criminal phenomenon. In this situation, legal deterrents have proved to be ineffective in preventing the significant growth in the abuse of their misuse.

Because of the complexity of the health, social, economic and legal problems surrounding the misuse of dangerous drugs such as marijuana, amphetamines, and others, as well as narcotics, the AFL-CIO supports efforts to evolve a national drug control program based on the actual facts, utilization of research findings and funding of additional research, rather than on myths and emotional judgments. Therefore, be it

**RESOLVED:** The AFL-CIO will vigorously support federal, state and local legislation to provide adequate additional funds for the continuing operations of community mental health centers and other programs that show promise of making comprehensive mental health services more widely available and accessible for all people.

That all affiliates be urged to work toward the provision of mental health care on a direct service basis through an organized setting such as the community mental health centers and through comprehensive health plans.

That central labor bodies are urged to lend their support to or to take leadership in developing citizen organizations to plan and promote better mental health programs and to encourage fuller use by trade unionists of community mental health facilities of all kinds and to encourage and to prepare labor representatives to serve effectively in community mental health efforts.

That affiliates are urged to work toward the expansion and adequate funding of Federal support of alcohol and drug abuse programs relying on community-based treatment and rehabilitation and to support the establishment of the degree of risk

in the use of dangerous drugs by medical and scientific evidence as the basic criterion on which legal proscription of drug use is to be defined and enforced.

## Older and Retired Workers

There are today some 20 million people in this country who are over 65 and another 18 million between 55 and 64 years of age. In fact, the number of senior citizens over 65 exceeds the combined population of our 20 smallest states. Unfortunately, though life expectancy is increasing, to most of the elderly these added years are often bitter and meaningless.

Many workers enter retirement unprepared for the changes that they will face in this new phase of their lives. They must manage on reduced incomes, maintain health, contend with leisure time and strive against odds to continue to be useful and productive citizens. Similarly, older workers face severe problems in the later years before retirement. They often are at a disadvantage with respect to younger workers and face great difficulty in finding a job during periods of unemployment.

Large numbers of the aged would like to work and are capable of working. Forced retirement often results in a waste of skills and knowledge accumulated over many years of experience. Organized labor has opposed and will continue to oppose unilateral imposition of compulsory retirement by employers.

In order to better deal with these growing and important problems and to coordinate organized labor's efforts to resolve them, the President of the AFL-CIO has established a Technical Committee on Older and Retired Workers. This Committee is functioning on an ad hoc basis and will work closely with the AFL-CIO Department of Social Security in trying to formulate and support programs that will help meet the problems faced by millions of older and retired workers.

Of particular importance in this effort is the need to tap the reservoir of talent and experience and the mental and physical energy that abounds among our senior citizens. This is best accomplished by organization of effective retiree organizations. Greater organization of retirees could make a significant contribution to achieving the goal of organized labor.

To further this effort, the AFL-CIO has supported the growth of the National Council of Senior Citizens. This organization has worked closely with organized labor in behalf of social programs of benefits to the elderly and, indeed, for the welfare of all Americans, young and old alike.

Not only has the NCSC joined with the AFL-CIO and other groups in the campaign for Medicare and for improved social security benefits, but this organization has stood shoulder to shoulder with the AFL-CIO and forward-looking groups in the struggle for meaningful civil rights legislation, the war on poverty, consumer protection, anti-pollution legislation and other measures for a better America. The NCSC is the only national senior citizens' organization that has joined with organized labor in fighting so-called "right to work" laws; therefore be it

**RESOLVED:** That the AFL-CIO urges all International Unions, local unions and State and Local Bodies to support the activities of and work with the AFL-CIO Technical Committee on Older and Retired Workers and to undertake and support programs to do the following:

Establish active Retired Members Clubs and affiliate them with the National Council of Senior Citizens.

Undertake pre-retirement planning courses that will better enable the worker to plan for retirement during his working years.

Work for retiree centers to help meet the needs of older people for education, recreational activities and social relationships.

Support national, state and local programs for opportunities for creative service to the community and nation and for political education and participation.

## Medical Costs

The health of American workers and their families and the medical care that is available to them has been a matter of paramount concern to the American trade union movement. We seek to ensure this care for our members and their families through labor-management contracts and we seek adequate medical care for all Americans, including our own members, through necessary legislation.

The AFL-CIO is appalled by today's soaring costs of medical care.

This uncontrolled runaway escalation of medical costs must be halted.

The average cost of a hospital stay in 1968 was \$55.80, up 59 percent from 1963 when the cost was \$35.11. Moreover, the rate of increase has been accelerating. Hospital daily room charges in major metropolitan areas are in excess of \$100 a

day in some hospitals. In contrast, the average annual salary of employees in community hospitals on which the increase in hospital rates is frequently blamed has risen only 35 percent since 1963 to a still inadequate level of \$4,900. In sharp contrast, the average net income of physicians approximates \$40,000 and has been increasing by 10 percent annually in recent years.

While the rise in hospital costs is more dramatic, it should be understood that physicians control about 75 percent of hospital costs.

The physician decides whether a patient goes to a hospital or receives much less expensive but often equally or more effective treatment on an out-patient basis.

The physician determines if and when a patient should be hospitalized and for how long.

The physician decides what tests are to be performed by the hospital laboratory.

The physician usually prescribes the drugs provided by the hospital pharmacy.

Yet, the physician escapes all fiscal responsibility for his decisions. Typically, he uses the hospital as a resource for his ill patient at no cost to himself and without being accountable to the hospital as an organization. Typically, he relies on the hospital to perform certain laboratory and diagnostic tests which he is not equipped to perform in his own office. Too often so-called hospital utilization committees, set up to assure appropriate use of hospital facilities, are simply utilization justification committees.

The cost-plus method of reimbursing hospitals rewards these inefficiencies and invites duplication of expensive diagnostic and therapeutic equipment. Reimbursing physicians on a usual and customary fee basis invites fee escalation because fees are unilaterally determined by doctors. Fee-for-service is a piece rate system where physicians determine the number as well as the cost of services.

In contrast, the capitation method of paying physicians reverses the conventional economics of providing health services. Capitation means a fixed payment per month per person to pay for all the health services the person may need instead of a fee for each separate service. Instead of physicians and hospitals being paid for illness under fee-for-service, they are paid for comprehensive care which gives physicians and hospitals a motivation to select the most appropriate use of out-patient services, the hospital, the nursing home or home health service.

Capitation not only budgets the cost of health care for the consumer, but also provides a budget within which the physician or hospital must live. The capitation method of remunerating physicians and hospitals is the method utilized by the comprehensive group practice, prepayment plans to pay for physician and hospital services which method has contained costs more effectively than under the fee-for-service system. Therefore, be it

**RESOLVED:** That payment for medical services by union health and welfare programs, by Blue Cross-Blue Shield and by government under Medicare and Medicaid should be by capitation, and be it further

**RESOLVED:** 1. The AFL-CIO will press for negotiated fee schedules whereby health and welfare funds, voluntary health insurance and government programs may curtail the escalation in physician fees, such negotiated fee schedules to be accepted in full payment for services rendered by the medical profession.

2. The AFL-CIO will support governmental and voluntary efforts to institute systems of "peer review" whereby the medical treatment provided patients by their physicians shall be subject to review by a panel of highly qualified specialists as to the appropriateness of the treatment when viewed in the light of present-day standards of medical practice.

3. The AFL-CIO will support legislative and voluntary efforts to encourage more effective utilization of medical manpower and particularly programs designed to provide opportunities for training and promotion of paramedical personnel.

4. Because the decisions of physicians have such a great impact on hospital costs, hospital-based physicians, the hospital's medical director, and the heads of the various hospital departments should be full-time employees administratively responsible to the hospital.

5. Because of the wide variations in the cost of providing hospital services, high-cost hospitals should not be encouraged to expand and should not be eligible for Hill-Burton federal grants for new construction or modernization. Hospital reimbursement formulas under voluntary health insurance and under Medicare and Medicaid should be so designed as to reward the efficient and penalize the inefficient.

6. The artificial distinction between in-patient and out-patient health services perpetuated by separate payment mechanisms under voluntary health insurance and under Medicare should be eliminated by establishing a single system of financing both.

## Collective Bargaining and Health

Bargaining for health benefits differs from bargaining for benefits in cash such as life insurance, disability insurance, sup-

plementary unemployment benefits or pensions. Health benefits must be spent for hospital and medical services. Life insurance, disability, SUB and pension benefits are paid in cash and how the benefits are allocated to meet the beneficiaries' needs is determined by the individual.

In order to maximize the benefits from health insurance, dental insurance, and drug and vision care prepayment programs, bargaining should take place on two levels: (1) bargaining with the employer for the necessary funds to provide the benefit, and (2) bargaining with physicians, hospitals, dentists, pharmacists and optometrists to assure a fair value for sums expended.

The experience of two score of years has amply demonstrated the fallacy of negotiating more and more money for health services without concern as to how such services are to be provided and how their cost can be contained. The principal problem that needs to be faced by organized labor is how the billions of negotiated health benefit dollars can be effectively utilized to bargain effectively with the providers of care for high quality services at reasonable cost. A starting point must be the recognition that the fee-for-service entrepreneurial system of delivering health services gives the medical and dental professions unilateral control over their incomes. Fee-for-service is a piece rate system in which both the price of each piece and the number of pieces of service are under control of the providers.

The AFL-CIO is convinced that health services should be provided for the benefit of the patient and not the provider.

In order to accomplish this goal, it is essential to bargain with the providers who are primarily organized on a local community basis. Health services are delivered in the local community by physicians, dentists, pharmacists, optometrists and hospitals for persons who live in the community. One of the most effective bargaining techniques is that of developing alternatives to the fee-for-service system, such as prepaid group practice plans which may be sponsored by consumers or by a broad based community organization. The AFL-CIO is actively cooperating with the Group Health Association of America to develop alternative health delivery systems in New Haven, Connecticut, Providence, Rhode Island, Cincinnati, Ohio, Nashville, Tennessee, Newark, New Jersey, Pittsburgh, Pennsylvania and Phoenix, Arizona.

Alternatives to the fee-for-service system are not, however, feasible unless members of organized labor are offered the opportunity of joining a widely organized and community sponsored health plan. Nor can negotiated dollars for health care under national and regional health insurance programs be an effective force for developing alternatives where all members are "locked in" under a Blue Cross-Blue Shield or indemnity insurance program. Therefore, be it

**RESOLVED:** Each state and local central body should organize a health committee to study alternatives to the fee-for-service health delivery systems.

State and local central bodies should be urged to explore in cooperation with other community groups, the possibility of organizing a pre-paid group practice health plan.

Collectively bargained health plans should whenever possible, provide for a dual choice option with either the employer or the carrier, whereby each employee may choose to join a health plan organized on a local community basis or elect to continue receiving health benefits under Blue Cross-Blue Shield or commercial insurance.

## Health Legislation

The pace of progress in health legislation that was sustained during the Kennedy and Johnson Administrations has all but halted. More health legislation was passed during these two Administrations than in the entire prior history of the United States. A partial list of accomplishments include the Health Professions Educational Assistance Act, the Mental Retardation and Mental Health Acts, the Nurse Training Act, the Regional Medical Program (Heart, Cancer and Stroke), the Comprehensive Health Planning legislation, the Allied Health Professions Act, the OEO Neighborhood Health Center program, as well as Medicare and Medicaid.

To date, no new initiatives have come from the Administration and budgetary limitations are handicapping progress of the recently established programs. What progress that has been made this year has been initiated by Congress in extending existing programs. The House of Representatives, by an overwhelming vote, extended the Hill-Burton Hospital Construction Act, and action by the Senate is currently pending on a bill introduced by Senator Yarborough which not only extends the program but would substantially improve it as well. Action by Congress on the extension of the Mental Health, Mental Retardation and Migratory Health programs is pending.

There is an immediate need for legislation to curb escalating costs under Medicare and Medicaid. To date, rising costs have prompted Congress to curtail benefits under Medicaid rather than crack down on those responsible for rising costs, namely: the providers.

Action on the legislative front by this Administration was also held up for six months because the Administration could not decide whether to approve HEW Secretary Finch's choice for

Assistant Secretary for Health Affairs, Dr. John Knowles. The recent appointment of Dr. Roger O. Egeberg to fill this post may help thaw the health legislative freeze. HEW Secretary Finch and Dr. Egeberg have stepped out boldly in their public pronouncements, stating that there is a breakdown in the health delivery system and have called for the "creation of new and competitive forms of organization to deliver comprehensive health services on a large scale. . ." The AFL-CIO hopes that these bold words will be implemented in a meaningful way by legislative proposals that will provide financial support for comprehensive health delivery systems such as the comprehensive prepaid group practice plans. Therefore, be it

**RESOLVED:** 1. The AFL-CIO reaffirms its support of a comprehensive national health insurance system to meet the health-care needs of the American people.

2. The AFL-CIO calls upon Congress to restore the effectiveness of the Medicaid program so that it meets the health care requirements of all needy and medically needy people.

3. The AFL-CIO calls upon Congress to pass such legislation as is necessary to curtail the escalation in health-care costs.

4. The AFL-CIO urges prompt passage of S. 2182 introduced by Senator Yarborough (D., Texas) which improves as well as extends the Hill-Burton Hospital Construction Act.

5. The AFL-CIO calls upon the Administration to introduce legislation into the Congress which would provide financial support for planning, development, initial staffing and capital financing of comprehensive prepaid group practice plans, and

6. The AFL-CIO will support federal legislation designed to increase and improve medical manpower, to improve the quality of health services, to bring about a more rational organization of medical care services, to make medical services more widely available, to establish effective controls on the cost of medical care and to distribute the cost of quality care more adequately throughout the whole population.

## National Health Insurance

**WHEREAS**, Despite the economic wealth and the scientific genius of the United States, this nation lags behind in the provision of health care for its people, and

**WHEREAS**, In 15 nations, the infant male has a greater life expectancy than in the United States. In 11 nations, the infant female can be expected to live longer, and

**WHEREAS**, This is not due to lack of ability on the part of our medical practitioners—although there are too few doctors in

the nation. The shortcomings of U.S. health care are attributable to a mis-application of the medical genius we have—full care is not available to all of the people, and

**WHEREAS**, The people are sorely frustrated by the financial burdens of health care. They are confronted with a crazy-quilt pattern of medical services—governmental programs, private and group insurance plans, and individually-purchased medical services, and

**WHEREAS**, Some of our people receive total medical treatments from governmental sources. These include the military, some of the indigent and, to a considerable degree, the elderly who are protected by Medicare. Others receive partial care from charitable institutions, public and private. Still others are covered by group insurance plans which they, in most cases, pay for at least in part by payroll deductions and which, in most cases, cover only a part of their medical costs. Still others individually pay all costs, and

**WHEREAS**, There are a number of federal and state agencies concerned with preventing illness, the emphasis in the United States remains on treatment of those already ill rather than the prevention of illness, and

**WHEREAS**, Twenty years ago a great American, President Harry S. Truman, recognized this situation and proposed the establishment of a system of National Health Insurance covering all of the people and financed through the federal government, and

**WHEREAS**, President Truman was a generation ahead of American political and social thought in his proposal and during the politically backward years of the 1950s his ideas were all but forgotten. Meanwhile, the complications of the present system have increased and the frustration of the people has grown, and

**WHEREAS**, We believe the answer to the problem lies in simplification of the application of health care. We believe that health care should be a matter of routine government service to all of the people, just as police protection against violence to the body is a matter of routine government service; therefore, be it

**RESOLVED**: That the AFL-CIO endorses the establishment of a National Health Insurance plan covering all of the people within the nation and financed by equal contributions from employers, employees and general revenues.

This health care should be comprehensive. It should include preventive as well as curative measures. It should cover professional services by medical and dental doctors and technicians, hospital, out-patient and nursing home services. It should cover diagnostic services as well as treatment. It should cover prescription drugs, dentures, eyeglasses and prosthetic appliances, and be it further

**RESOLVED:** That the program of National Health Insurance should include the training of more professional and technical practitioners in medicine and related physical and mental health services, and be it further

**RESOLVED:** That while practitioners in health care should be handsomely rewarded for their services, there should be stringent controls against fraud and over-charging with civil and criminal penalties provided against those who might abuse their positions of privilege.

## **Voluntary Action**

The voluntary association of free men and women in organizations of their own choosing for mutually beneficial objectives lies at the heart of our democratic society.

The American labor movement itself is such a voluntary association, and the AFL-CIO, through its community service activities, has contributed effectively to the support of thousands of voluntary national, state and community agencies serving millions of Americans.

The Administration's current campaign to stimulate voluntary action in American life is laudable, but it should not be permitted to divert our attention from the undeniable fact that the basic health, welfare and educational needs of the American people can be met only by the government's assumption of full responsibility for meeting these needs. Therefore, be it

**RESOLVED:** The AFL-CIO continues to cooperate in all worthwhile efforts designed to stimulate voluntary citizen action in community affairs.

The government should provide adequate funding to permit voluntary agencies to develop more effective programs to meet expanding needs.

We urge all voluntary agencies to make clear to the Administration that only major governmental action and substantial appropriations of government funds will basically solve many of the social and economic problems confronting our people and their communities, and that any attempt to divert the people from this hard-truth would be a disservice to them.

## **Red Cross**

The people of the coastal regions of Louisiana, Mississippi and Alabama, and in the mountains of Virginia and West Virginia,

are going about the job of rebuilding their communities in the wake of Hurricane Camille.

In this storm, the most powerful to strike the country, homes equal in number to a good sized city have been destroyed. Hundreds have perished and thousands have been injured. Industry has been hard hit, including plants and mills under union contract.

In this disaster, as in all others, the American Red Cross came to the immediate assistance of people hurt by the storm. The Red Cross helped to provide emergency shelter, food and clothing as well as many millions of dollars to date in repairing and rebuilding of homes. It is estimated that the Red Cross will spend more than twenty million dollars to help the victims of this storm.

The AFL-CIO, through its community services program, cooperated with the Red Cross in providing funds, gifts-in-kind and volunteers. The Louisiana AFL-CIO as well as the Building and Construction Trades Council of that state cooperated and helped develop a great volunteer building project with Red Cross in Plaquemines Parish, La. Therefore, be it

**RESOLVED:** The AFL-CIO commends the Red Cross for its aid to victims of disasters; reaffirms the Memorandum of Understanding on Disaster Services between the AFL-CIO Department of Community Services and the American Red Cross; and urges AFL-CIO affiliates and members to continue further financial support for the Red Cross Hurricane Camille Fund.

## **Hunger in America**

In this most affluent of nations, hunger and malnutrition remain a stark reality for millions of Americans. Hunger and malnutrition take their toll in many forms—infant deaths, organic brain damage, retarded growth and learning ability; in increased vulnerability to disease; in withdrawal, apathy, frustration and violence.

Studies indicate that between 10 and 12 million Americans are hungry or grossly undernourished. A U.S. Public Health survey estimates malnutrition exists among 15 percent of the population in the areas covered by the survey.

There need not be hunger in America. Surely a nation with our abundance and resources can eliminate hunger among its citizens if we have the will to do so.

The American people have indicated that they do want an end to hunger. A recent Gallup Poll showed the people of this nation attach a high priority to achieving the eradication of hunger in America.

We are pleased that the Administration has recognized the serious nature of the problems of hunger and malnutrition. Unfortunately, the Administration's proposed program falls far short of providing what is needed.

There are a number of bills now before the Congress designed to deal with the problem. We believe that the best features of these bills should be combined into the strongest and most effective food stamp legislation to achieve the eradication of hunger in the shortest possible time.

The U.S. Senate recently adopted a bill which, if enacted, would authorize the kind of comprehensive food stamp programs needed by our nation. The AFL-CIO supported the Senate action and we urge the House of Representatives to move promptly toward the enactment of similarly comprehensive legislation to reform and expand the food stamp program.

Essential to the eradication of hunger in America is a commitment of adequate funds for the substantial expansion of food programs. The Senate food stamp bill calls for an expenditure of \$1.25 billion in fiscal 1970, \$2 billion in fiscal 1971 and \$2.5 billion in fiscal 1972.

Another basic element of an effective food stamp program must be the revision of the present program to permit more stamps to be purchased at substantially lower cost. And it is essential that free food stamps be made available to the lowest income families and individuals. Finally, it is necessary that the administration of food programs at all levels of government be revised to permit all those who are hungry, or undernourished to be embraced by the programs. Therefore, be it

**RESOLVED:** That this Convention of the AFL-CIO urges the Congress to recognize the following standards for inclusion in new legislation covering food programs:

A. Eligibility standards for participation in the food stamp program should be lowered to permit more of the families and individuals, not now covered, to participate so that a broader spectrum of the poor will be eligible for food stamps. Federal eligibility standards should be established.

B. For the lowest income groups, food stamps should be available at no cost.

C. The appropriate federal agency should be authorized—in cases where it is determined that a local program is necessary and a local agency is unwilling to cooperate—to administer the program in the locality or to designate an appropriate public or nonprofit agency to do so.

D. When the appropriate federal agency finds that local funds are not available to meet the costs of local administration, it should be authorized to pay the states up to the full amount of

the administrative costs for such local programs.

E. Prompter and simpler certification procedures should be developed, and the method of issuing food stamps should be planned so that they will be more readily available to those for whom they are intended.

F. The purchase of food stamps should be permitted on installment or partial purchase basis to facilitate purchasing by families whose pay days do not coincide with stamp issuance periods.

G. The list of items for which food stamps may be used should be broadened to include such necessities as soap, and other items necessary for personal and household cleanliness.

H. During a county's transition from the commodity distribution program to the food stamp program or when the food stamp program is failing to meet the need, simultaneous operation of the commodity distribution and food stamp programs should be permitted.

## Eliminating Poverty

Since its inception, the American labor movement has been enlisted in the age-old struggle of mankind against want and deprivation. Unlike many others, trade unionists have not recently rediscovered the existence of poverty in our country. We have known for a long time that millions of people were poor; a very few were our own members, but most were not.

We are not johnny-come-latelys to the fight against poverty. Organized labor has long had its anti-poverty program—full employment, a better minimum wage for more workers, basic improvements in social insurance, expanded job and training programs and a decent level of public assistance. These were just a few of the anti-poverty demands of the AFL-CIO at our founding Convention in 1955. They are our demands today.

Because we are not newcomers to the fight against poverty, we welcome the sympathetic recognition that problem received under the administration of Presidents Kennedy and Johnson. Under their dynamic leadership, this nation launched a determined effort to wipe out poverty.

We also appreciate the recognition President Nixon has shown, especially in his message on welfare reform. But, however desirable it may be to direct the nation's attention to the problem of poverty, it is not enough, unless there is also effective action aimed at substantially improving the condition of those who have not shared in the nation's prosperity. On this score the Presi-

dent's recommendation for welfare reform does not measure up to the nation's needs.

According to the official government figures, 25 million—one out of every eight men, women and children—are poor. At the government defined poverty line, a family of four has an income of less than \$3,500.

People are poor when their incomes do not permit them to buy even the bare essentials of life. They are poor for many reasons and the impact of poverty is very uneven.

There is a widespread misconception that most of the poor are in need because they are lazy and do not want to work. The facts are just the opposite. Two-thirds of the poor are in families where the breadwinner has a job or is unemployed and would work if he could find a job. One-third of the poor are in families headed by someone working year-round. These are the working poor—the people who are denied decent incomes for the work they do.

There are other facts about the poor which have an important bearing on what can be done to wipe out poverty.

1. Families headed by women are particularly likely to be needy—nearly one in two and they comprise more than one-fourth of all poor families.

2. Most of the poor are white, but the incidence of poverty is much greater among Negroes—one household in three, compared with one in seven for whites.

3. Forty percent of the poor are children and large families are much more likely to be poor than smaller ones.

4. Twenty percent of the poor are elderly. Of the elderly three in ten are poor.

5. Although most of the poor live in urban areas, poverty is twice as prevalent for the farm population.

6. Half of the poor are below the Mason-Dixon Line.

One thing is clear. Just as there are many reasons why people are poor, there must also be many programs for eliminating poverty. Contrary to the claims of some, there is no single panacea.

For the two out of three families which are poor because the breadwinner though employable is unemployed, under-employed or underpaid, suitable jobs and decent wages are the most promising road out of poverty. This calls for a national commitment to full employment with reduction of unemployment to a maximum of 2 to 2½ percent of the labor force. It also calls for comprehensive manpower and training programs including a large-

scale public-service employment program providing well-planned useful jobs paying at least the statutory minimum wage. And it calls for raising the minimum wage to at least \$2.00 an hour and extending its protection to all workers, steps which alone would lift 8 million Americans, one-third of the poor, out of poverty.

These manpower, training and minimum wage improvements should be buttressed by such supplemental measures as effective enforcement of anti-discrimination laws, as well as housing, health, education, day care, and other social service programs which would not only help lift the poor out of poverty but also better community life for all of us.

But there are some poor people who will not benefit from jobs and minimum wage coverage because they are young or old or sick or disabled or have family responsibilities keeping them at home. Others are in such large families that a job for the breadwinner at the minimum wage or even slightly above does not provide an adequate income. For these groups the answer lies in substantial improvements in social insurance and a greatly improved welfare program.

Eligibility for social insurance—old-age, survivors and disability insurance, unemployment insurance, and workmen's compensation—is a right workers earn during their previous employment. But far too many people who depend on social insurance payments are poor. With expanded coverage and higher payments, social insurance could remove millions from poverty. This requires federalization, or at least federal minimum standards, in the unemployment insurance and workmen's compensation programs and a 50 percent increase and a \$100 minimum benefit plus other needed improvements in Social Security.

Job and training, the minimum wage and social insurance—these are the programs which, if substantially improved, could wipe out much of the nation's poverty. But even these programs do not offer a total solution of our poverty problems. They will not meet the needs of some of the poor, including mothers and children in fatherless families, families of workers who are unemployed, under-employed, or unemployable but not entitled to adequate social insurance payments and large families with relatively low-paid wage earners. For these people, we need a compassionate and greatly improved public welfare program.

Unfortunately, despite what may be good intentions, the President's welfare reform proposal does not meet this need. The Administration would provide a \$1,600 welfare payment for a family of four—only \$30 a week. This is less than half of the official government poverty level. It would benefit families with children in only ten states.

The Administration's proposal would supplement the wages of under-employed workers and those forced to work at extremely

low wages, but without requiring the employer to raise wages to a decent level. It includes a so-called "work incentive" to encourage welfare recipients to seek employment, but no provision for the greatly expanded training and employment programs or assurance of decent wages to participants in them without which the "incentive" will be all but meaningless.

But if the Administration's welfare proposal is inadequate, the existing program is far worse. Instead we need a federal welfare program providing decent incomes and humane conditions for all who must depend on it. This means minimum payments at no less than the official poverty level, with supplemental work incentive benefits up to a level of 50 percent higher for those who obtain jobs. Families of workers whose earnings are below these standards should be eligible for income supplements, but employers of such workers should be required to pay at least the statutory federal minimum wage, through extension of Fair Labor Standards Act coverage to all workers. Mothers with children should not be forced into work or training but opportunities should be available to them on a voluntary basis. This will require a considerable expansion of day care facilities and services. Therefore, be it

**RESOLVED:** This Convention hereby recommits the trade union movement with renewed vigor and determination to the goal of wiping out poverty in America.

Achievement of this goal will require the full use of a host of programs, old and new, which in combination will respond to the many different causes of poverty. In particular, we will seek the radical improvement of training and employment, minimum wage, social insurance, welfare and supportive programs, all of which can and should contribute to the elimination of poverty.

The public welfare system must be completely revised to provide a federal welfare program, with adequate payments based on the sole criterion of need, and with federal financing and administration of welfare costs.

We are convinced that America has the knowledge and resources to wipe out poverty in our time.

## The Future of the Anti-Poverty Program

Poverty has not been eradicated in our land, despite the economic improvement of the 1960s. There are still over 25 million Americans who are poor according to the government's definition—earning under \$3,500 for a family of four. And there are at least 10 million who are just above the government-defined poverty line. There is still hunger in the land. Millions are still living in substandard housing. Tens of thousands are unem-

ployed because of lack of education and skills. Adequate health services are still not available to millions.

Five years ago when the anti-poverty effort was initiated, its mission was to "eliminate the paradox of poverty in the midst of plenty in this nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity." Toward this end, the Office of Economic Opportunity (OEO) created by the Economic Opportunity Act of 1964 developed many new and creative programs including, among others, Head Start, Neighborhood Youth Corps, Job Corps, Legal Services, Comprehensive Health Services and Upward Bound. About 1,000 Community Action agencies were put into operation to plan and coordinate the anti-poverty effort at the community level.

The AFL-CIO has supported the OEO from its inception as an important weapon in the war against poverty. Yet, the AFL-CIO was aware from the start that OEO had a limited role in the total anti-poverty effort. We recognized that poverty cannot be eliminated unless the full spectrum of relevant government and private resources are committed to this effort. In the final analysis it is jobs, housing, education, health services, freedom from hunger and freedom from discriminating practices that are needed.

Yet, in assessing the work of OEO over the past five years, we in the AFL-CIO are convinced that it had played an important role. It has made the nation aware of the poverty in our midst and it has been an effective advocate for the poor in the legislative and executive branches of government. OEO programs have benefited thousands of the poor. It has enabled the poor to help plan and participate in programs which they considered necessary in the struggle against poverty.

In considering the future of OEO, it should be clear that this agency is needed to carry on the fight against poverty. OEO deserves to be continued. With the knowledge gained over the past five years with regard to developing new programs to help the poor, with increased skills in the administration of these programs, with the greater skill developed for involving the poor themselves and in working with the poor—we believe that the OEO can have even greater impact than in the past in helping the poor find their way out of poverty.

We commend the President for requesting a two-year extension of the Economic Opportunity Act of 1964, without amendment. We further commend his proposal that OEO continue to be an innovative agency, seeking new and better ways to combat poverty. However, we deplore the lack of leadership by the Administration in pressing Congress to act on pending anti-poverty legislation.

We further recognize that OEO has never been adequately funded. If the Administration intends to give leadership to the anti-poverty effort, the program must be extended and strengthened. This will require substantially more funds than the Administration has proposed.

We are also concerned with the proposals being made to give greater control of the anti-poverty program to the states. Control of this program by the states can only result in a weaker and less effective program, especially in the urban centers where poverty remains a highly explosive issue. Therefore, be it

**RESOLVED:** 1. The Economic Opportunity Act should be extended for at least two years without crippling amendments.

2. More adequate funds must be made available so that the program can be extended and strengthened.

3. We urge the Administration to take greater initiative in pushing for the extension and more adequate funding of OEO.

4. The anti-poverty program should not be placed under the control of the states.

## **Government and the Arts**

WHEREAS, President Eisenhower, President Kennedy, and President Johnson have all recognized that there is a responsibility on the part of government for the well being of the artistic and cultural life of our Nation. In so doing, they restated a position first expressed by President Washington when, in 1788, he remarked that, "the arts and sciences are essential to the property of the state . . . and to the happiness of human life". In a message to the first Congress, Washington stated that, "there is nothing which can better deserve your patronage than the promotion of science and literature", and

WHEREAS, With the advent of increasing leisure time and urbanization in our nation, it becomes increasingly important that opportunities for involvement in, and appreciation of the arts be made available to all people. The arts in a democracy must not be the playthings of the rich. They are, as Washington said, "essential . . . to the happiness of human life" and they must be available to all. In order for this to be so, it is essential that government at all levels assume a greater responsibility than they have in the past for encouraging America's artists and supporting our theaters, our museums, our art galleries, our symphonies, and our libraries cannot institute technological improvements to cut costs and keep prices within the reach of the masses. As government has supported our schools and colleges, so government must now offer support for the arts in our communities, and

WHEREAS, The National Endowment for the Arts, created by Congress in 1965 and so ably administered by its former Chairman, Roger Stevens, stands today as a splendid example of what this nation can and must do to support the arts. The Endowment must be continued and expanded by the new Administration; therefore, be it

**RESOLVED:** That we call upon President Nixon to exercise every power at his command so that the Endowment is provided with the maximum amount of funds authorized by Congress, and be it further

**RESOLVED:** That we urge the present Administration to seek even more financial resources for this small but most important agency in the future.

# LEGISLATIVE AND POLITICAL POLICIES

## Political Education

The 1970 Congressional elections loom as the most vital in recent years, and as a strong challenge to the political action and education capabilities of the labor movement.

In 1968, the AFL-CIO-endorsed candidate for President of the United States lost narrowly. In the ensuing months, it has become clear that the new Administration is substantially more conservative than its predecessor. In addition, recent appointments to the Supreme Court and regulatory agencies are moving them towards a conservative and anti-labor direction.

Thus, it becomes imperative that the present liberal strength in Congress be increased in the 1970 elections to assure that (1) progressive proposals will have a better chance of enactment, and (2) restrictive measures against trade unions and efforts to roll back the social-welfare progress of the past several years will be stopped.

Clearly, the political stakes will be high in 1970, and an extraordinary effort by trade unions in the political education and political action fields is demanded. Therefore, be it

**RESOLVED:** That this convention of the AFL-CIO urge all affiliated unions to call upon their staff, their regional and local union officials, and their members to make political action a preeminent part of their 1970 program; and be it further

**RESOLVED:** That this convention urge all affiliated unions to assign as many full-time staff members as possible to political action and education efforts at the earliest possible date; and be it further

**RESOLVED:** That this convention urge all affiliated unions to cooperate fully in COPE registration and get-out-the-vote campaigns and to meet and, if possible, exceed their COPE voluntary dollar quotas in 1970; and be it further

**RESOLVED:** That this convention urge all affiliated unions, their officers, staff persons and their members to cooperate with COPE in every possible way to assure the most effective labor political programs ever in 1970.

## Election of the President

On September 18, 1969, the House of Representatives by a vote of 339-70 passed H.J. Res. 681, proposing an amendment to the Constitution of the United States abolishing the Electoral College and providing for the direct election by vote of the people of the President and Vice President of the United States.

This proposed constitutional amendment has broad popular support. Organizations as diverse as the American Bar Association, the United States Chamber of Commerce, the National Federation of Independent Business, as well as the AFL-CIO, are united in their support of H.J. Res. 681.

The need for reform of the Electoral College system has long been apparent. The direct election amendment now before the Congress is the only proposal for changing the method of electing the President and Vice President, which will make sure that the candidates who receive the most popular votes will be elected. Some alternative proposals, such as the so-called "district" proposal and the "proportional" scheme, would actually make it easier for a minority President and Vice President to be elected than is the case under the present system. Such proposals would only make the present unsatisfactory system much worse and should be rejected by the Congress.

The proposed constitutional amendment requires candidates for President and Vice President to receive at least 40 percent of the popular vote in order to be elected and provides for a runoff election in the event no candidate receives such a proportion of the popular vote. This provision will operate effectively to prevent the multiplicity of candidates that some people fear will be encouraged to enter the race under a direct popular vote system. Therefore, be it

**RESOLVED:** (1) The 8th Constitutional Convention of the AFL-CIO reaffirms the resolution adopted by the AFL-CIO Merger Convention in 1955—subsequently reiterated by the 1957 Convention—which stated:

"The President and Vice President of the United States should be elected by direct popular vote. The electoral college system has outlived its usefulness, and should be abolished."

**(2)** We urge the Senate of the United States to take early action to complete submission to the States of a constitutional amendment along the lines of H.J. Res. 681, providing for direct election by vote of the people of the President and Vice President of the United States, so that such an amendment will be submitted to the States for ratification in time to become effective for the election of the President and Vice President in 1972.

## **Modernizing State Legislatures**

Most state governments remain basically weak in our federal system because numerous constitutional restrictions severely limit effective executive and legislative authority to effect meaningful answers to the problems of our fast-moving society. The legislative process in almost every state needs overhauling if democratic procedures are to be assured and responsible decisions are to be obtained.

State legislative bodies are ill-equipped to function responsibly; biennial sessions should be replaced by annual sessions; constitutional limitations on the length of sessions should be removed; calendars should be timely and publicly announced; debates, when possible, and votes on the floor and in committee should be matters of record; offices should be provided legislators; pay should be both commensurate and adequate on the basis of a fulltime job; standing committees should be properly staffed with qualified people; committees and their procedures should be streamlined; membership on standing committees should be limited to provide both representative and thoughtful application to the problems of state. Regular apportionment should be mandatory. Therefore, be it

**RESOLVED:** That this 8th Constitutional Convention of the AFL-CIO strongly urges its state central bodies:

1. To press for the establishment of citizens commissions in their respective states to pursue a program to modernize state governments with special emphasis on the legislative body and its processes.
2. To seek the cooperation of other state organizations within their respective state.
3. To utilize the assistance of the field staff of the Citizens Conference on State Legislators, state universities, and the Legislative Department of the AFL-CIO.

## **Citizens' Job Protection Laws and Ordinances**

WHEREAS, The 1961 biennial Convention of the American Federation of Labor and Congress of Industrial Organizations unanimously adopted a resolution in support of enactment of Citizens' Job Protection Laws and Ordinances (which prohibit trafficking in professional strikebreakers) throughout the United States, and

WHEREAS, a total of 14 states and 108 municipalities now have the protection of such legislation which was adopted mainly through the efforts of organizations affiliated with the AFL-CIO

spearheaded by the Presidents' Committee of the Allied Printing and Related Trades, and

WHEREAS, despite the outstanding success of this eight-year effort, professional strikebreaking remains a constant and virulent threat to the peace and security of all who work for a living (i.e., the two-year strike-lockout of newspaper employees at the Los Angeles Herald-Examiner made possible and continuous by the employment of professional strikebreakers), and

WHEREAS, free collective bargaining is the stated policy of our government, and is accepted by enlightened employers and responsible employees alike; said free collective bargaining being readily hampered or forestalled by the availability and use of professional strikebreakers, and

WHEREAS, Citizens' Job Protection Laws and Ordinances have proven effective in controlling importation and use of professional strikebreakers; therefore, be it

**RESOLVED:** That the 1969 Convention of the AFL-CIO reaffirm its approval and support of the enactment of Citizens' Job Protection Laws at the federal, state and municipal level, and be it further

**RESOLVED,** the AFL-CIO call upon and urge its state and city affiliated bodies, and its affiliated international unions to cooperate with the Presidents' Committee of the Allied Printing and Related Trades to work for the passage of anti-strikebreaker legislation in all areas of the nation that do not have this protection.

## **National Flood Insurance Act**

WHEREAS, The southern and eastern coastal areas of the United States have repeatedly been struck by hurricanes with demoniac fury causing an ever increasing loss of human life and personal property, and

WHEREAS, These hurricanes accompanied by the flood waters of the Gulf of Mexico, rivers, canals and lakes inundated great areas of exposed flat lands and thousands of homes, shops, factories and other buildings were flooded, washed away, crushed or otherwise badly damaged, and

WHEREAS, Thousands of property owners in South Louisiana, Mississippi and other states, many of whom are members of the AFL-CIO, were financially wiped out by the damage or total destruction visited upon them by these hurricanes and accompanying flood waters causing entire life savings in homes, personal property and possessions to be lost, and

WHEREAS, Many of these hurricane victims suffered a total loss of their personal possessions for the second time during the

past four years, and

WHEREAS, Few of these victims of the flooding waters were covered by insurance because private insurance companies are unwilling or unable to insure against flood losses except at such prohibitive costs so as to price this insurance completely out of reach of the overwhelming majority of home owners, and

WHEREAS, The recent Hurricane "Camille" was another horrifying experience of the havoc and destruction caused by these floods generated by these killer hurricanes; therefore, be it

RESOLVED: That the American Federation of Labor and Congress of Industrial Organizations, in its Eighth Constitutional Convention, does hereby go on record to call upon the Congress of the United States to proceed forthwith to amend the National Flood Insurance Act of 1968 thereby making available immediate flood insurance coverage to all citizens of the United States at a reasonable premium rate; and be it further

RESOLVED: That such amendments to the National Flood Insurance Act of 1968 increase the maximum amount a single dwelling unit can be insured to a more realistic figure and that the face amount of flood insurance coverage outstanding and in force at any one time shall not exceed the sum of \$10,000,000, 000.00.

### Appointment of Judge Haynsworth

WHEREAS, The United States Senate is now in the process of deliberating on the appointment of Judge Clement F. Haynsworth, Jr. as an Associate Justice of the Supreme Court of the United States, and

WHEREAS, The appointment of any individual to serve on the nation's highest tribunal is a matter of the utmost gravity, for the Supreme Court is a very special institution, and

WHEREAS, It is the custodian of all the most cherished legal rights of the American people. In the hands of its nine members rests the responsibility for interpreting the laws of the land—not only in the context in which those laws were written, but also in the context of the time in which we live, and

WHEREAS, It is, in every sense, man's court of last resort. Men's lives, their fortunes, their honor, rest in the end, not in the Constitution or the body of civil and criminal law which has grown up in America's 200-year history, but rather in how these nine men view the meaning, the intent and the application of these laws, and

WHEREAS, It is a co-equal branch of our federal government—standing on an even footing with the Legislative and the Execu-

tive Branches. But where the ranks of the Legislative Branch are numbered in the hundreds, and those of the Executive Branch are numbered in the thousands, the Judicial Branch is far smaller, and at the apex of the judicial pyramid is a court consisting of only nine men. Thus the weight of the individual—his character, his judgment, his actions—assumes a disproportionate shape in the scheme of things, and

WHEREAS, More even than its substantive role in our society is the role which the Supreme Court fills in terms of the moral climate of our times. Sitting, as it does, in final judgment on us all, the Supreme Court must be above suspicion and beyond reproach—for if it is not, then all of the moral values of our society are called into question, and

WHEREAS, It is against this backdrop that the Senate must make the judgment of Judge Haynsworth. And it is against this backdrop that we associate ourselves wholeheartedly with the position expressed by AFL-CIO President George Meany—a position of unremitting opposition to this appointment. Our reasons are many; the grounds on which they are based are clearly definable, and

WHEREAS, Judge Haynsworth's record with respect to labor-management cases demonstrates clearly that he has no sensitivity to the basic rights of working men and women, and

WHEREAS, Judge Haynsworth's record with respect to civil rights cases demonstrates clearly that he has no sensitivity to the basic citizenship rights of Americans, without regard to the color of their skins, and

WHEREAS, We are not naive enough not to realize that appointments to all federal offices—judiciary and executive, alike—reflect the political climate in this country. We recognize that there was an election in 1968, and that as a result of that election there was a change in administrations in Washington. We recognize the right of an American President to choose, as his appointees, from among those who have supported his cause and who reflect his own political coloration, and

WHEREAS, We submit, however, that the nomination of Judge Haynsworth goes far beyond those bounds. The 1968 election was decided, in large measure, on the basis of a so-called "Southern Strategy." And the proposal that Judge Haynsworth be named to one of the nine most responsible positions on the Supreme Court is at once both a reward for those who made this strategy of 1968 a success and an investment in the maintenance of this Southern base into the future, and

WHEREAS, We are told that Judge Haynsworth is not hostile to labor unions or to civil rights groups. We are told, instead, that he is a "strict constructionist." But we understand the code words of modern politics—code words such as "right-to-work,"

"trade union democracy," "law and order," and the rest. These are clever propaganda weapons, distorting words that have benign meanings and making of them shields behind which lurk malignant intent, and

WHEREAS, The words "strict constructionist" are code words, too. They are a signal to the Strom Thurmonds, the James Eastlands, and the George Wallaces as to where Judge Haynsworth truly stands on the great social issues of our times: The issues of common decency, fair play and justice—whether on the job or off; whether in labor-management relations or in the relations between people of different skins, different ethnic origins, different cultures, and

WHEREAS, On the record, Judge Haynsworth has demonstrated his hostility to trade unions and his hostility to civil rights—and either of these grounds should be cause enough for the Senate of the United States to reject his nomination, and

WHEREAS, There is another reason which makes it clear that Judge Haynsworth is totally unqualified to participate in the deliberations of our highest judicial body—and that is the appalling lack of ethical judgment displayed by Judge Haynsworth in failing to insulate his judicial affairs from his financial affairs, and

WHEREAS, Daily, the record grows as to the number of instances in which he has been shown to have financial interests—some of them most substantial—in companies which have been parties to suits on which Judge Haynsworth has been called to adjudicate, and

WHEREAS, His actions in the stock market and in the business world thus are in direct conflict with his duty to sit in impartial judgment—indeed, it is hard to credit Judge Haynsworth's repeated contentions that he has not been swayed by the fact that he has been financially involved with one of the parties before his court, and

WHEREAS, What is even worse, the full extent of interrelationship between Clement Haynsworth, business man and investor, and Clement Haynsworth, supposedly impartial judge, may not now be known—nor may it ever be known. For added to Judge Haynsworth's insensitivity to the legal niceties or the proprieties of the bench has been his amazing and continued lack of candor with the Senate and with the American people. Not once has he come forward, on his own, to lay the full extent of his financial transactions before the public. Instead, he has admitted to these involvements only reluctantly, and only after they have been uncovered by others and spread on the record by others. Thus there may be even more damaging instances buried deep in the stock portfolio of Investor Haynsworth, or in the case dockets of Judge Haynsworth, and

WHEREAS, In the face of these continuing disclosures, Judge Haynsworth adamantly protests that he did nothing wrong, and the Justice Department of the Administration which nominated him for a seat on the Supreme Court concurs in the denial of any impropriety, and

WHEREAS, Within the past year, Mr. Justice Fortas made similar denials about wrongdoing in the commingling of his financial and judicial affairs, and without making any judgment here on the Fortas case, the fact of the matter is that, as the result of those disclosures, Justice Fortas no longer sits on our highest court. Those who were loudest in their criticism of Justice Fortas said at that time that the appearance of impartiality was as important as impartiality, itself. We agree. As we said earlier, judges must be above suspicion and beyond reproach. Yet the same men who criticized Justice Fortas now seek to alibi Judge Haynsworth with the result that their own ethics, as well as those of their candidate for the Supreme Court, are called into question, and

WHEREAS, There is more than an individual appointment at stake here. What is at issue is fundamental to our democracy. If Judge Haynsworth should be appointed to the Supreme Court, it would be necessary for the American people to scrutinize his stock portfolio every time a case came before the court. And even then, on the basis of what has been revealed about Judge Haynsworth's activities in the past, it is questionable whether all of the facts would ever be known—and the American people would be left with the nagging doubt as to exactly how impartial Judge Haynsworth's decisions really were; therefore, be it

RESOLVED: That the AFL-CIO Convention calls on Judge Clement F. Haynsworth, Jr., to withdraw himself from consideration for this appointment; that, failing voluntary action on the part of Judge Haynsworth, we call upon President Nixon to withdraw the nomination to safeguard our judicial system; and that, failing these actions, we call upon the Senate of the United States not to consent to the nomination.

### Copyright Law and Technological Changes

WHEREAS, The rapid technological advances which are being made by our nation make it possible for great masses of people to enjoy goods and services which, only yesterday, were the province of the privileged few. Priceless books can now be duplicated easily, cheaply and quickly. It is within the realm of possibility that in the near future, we will have information stored, analyzed, and disseminated throughout the nation—into homes and offices—by means of computer systems and ad-

vanced communications mechanisms. Films, recording, television already have revolutionized our lives. Computers, lasers, and new products of our technological age will further alter our pattern of living, and

WHEREAS, These changes make it possible to widely disseminate the fruits of man's intellect and talent, they offer much promise for mankind. But to realize this potential, these radical advances must serve as the tools of the artist, the scientist, the technician, not the masters of these men. The creators of the works which these machines distribute must share in the rewards if they are to be encouraged to contribute still more of their talents, and

WHEREAS, Through the media of films, television and records, the art of the performer can now be carried to huge masses of people. There is danger that the middle men—those who control the media—will reap all of the profits and the performers will see little, if anything, of the rewards for benefitting such vast audiences, and

WHEREAS, Through the use of advanced copying machines and communications techniques, it is possible for the works of a writer, engineer or technician to be disseminated and duplicated and exploited without recognition or reward for the creator. Such a situation must not be allowed to occur, and

WHEREAS, Despite the profound advances which have been made in technology and the changes which they herald, our government has been shockingly lax in bringing the laws of copyright into tune with the times. Our basic copyright laws being made by Senator Harrison Williams of New Jersey which have not been revised in nearly sixty years; therefore, be it

RESOLVED: That we applaud the 91st Congress for now considering a general revision of our copyright laws but we believe that there is an urgent necessity for something more than consideration and debate. The country, and its intellectual and would assure the right of the performing artist to compensation for the broadcast and commercial exploitation of his recorded artistic talent requires action, and be it further.

RESOLVED: This convention approve of the proposals now being made by Senator Harrison Williams of New Jersey which would assure the right of the performing artist to compensation for the broadcast and commercial exploitation of his recorded work. We believe this is fair. We believe this is just, and must not be denied. We believe, too, that the time is overdue for the Congress and the Nation to inform itself regarding the new technology and its impact upon our patent and copyright laws, and be it further

RESOLVED: That we endorse suggestions made to establish a national commission that would investigate the changes occurring in our technology, appraise their consequences to our society and make recommendations so that our copyright laws will keep apace of these changes and the rights of the creative individual will be protected.

# ACTIONS AFFECTING AFFILIATES

## Community Services

WHEREAS, The union contract does not cover all the immediate personal and family needs of union members for such services as consumer counselling, legal aid, child care, family counselling, recreation, blood banking, hospitalization, housing, and others, and

WHEREAS, The collective bargaining agreement does not meet the emergency needs of union members and their families for food, shelter, clothing and medical care caused by natural and man-made disasters such as hurricanes, floods, earthquakes, layoffs, strikes and riots, and

WHEREAS, It is the responsibility of the union, therefore, to extend its services to its members and their families beyond the plant gates and the collective bargaining agreement into the neighborhood and the community as a whole by establishing effective organizational relationships with community agencies and facilities for the complete development and full utilization of all health and welfare resources for the benefit of the people, and

WHEREAS, Such active labor participation in community affairs, on the policy-making boards of agencies, in developing needed new services, in social action for more and better facilities and in the application of collective bargaining techniques to consumer-merchant, patient-physician and tenant-landlord relationships, will help make communities more representative of the people and more responsive to the people's needs.

WHEREAS, A by-product of labor's public service and concern for a better community for all is effective community and public relations for the trade union movement as a whole; therefore, be it

RESOLVED: That all AFL-CIO affiliates be urged to establish community services committees for the purpose of effective participation in community affairs, and be it further

RESOLVED: That national and international unions and state and local central labor bodies be urged to designate full-time community services directors wherever possible.

## Employment of Union Members of the Performing Arts

WHEREAS, The success of the American trade union movement in winning for its members increased pay and leisure time

has enabled a growing number of workers and their families to participate in the cultural activities of their community and enjoy the work of singers, musicians, actors, and other performing artists; and

WHEREAS, The AFL-CIO has recognized this situation and together with the federal government's National Endowment for the Arts has developed a Demonstration Arts Project to test methods for involving AFL-CIO affiliates and their members in the work of our nation's cultural organizations; and

WHEREAS, Many performers, theatre technicians and others employed by cultural institutions are members of AFL-CIO affiliated organizations and through these organizations are seeking to maintain standards of fair pay and decent working conditions; therefore, be it

RESOLVED: That this Convention demonstrate its solidarity with our brothers and sisters who work in the performing arts and other fields of cultural endeavor by urging all members of organized labor and affiliated unions to patronize only those institutions that have entered into collective bargaining agreements with the appropriate unions of performers, technicians, and craftsmen; and, be it further

RESOLVED: That affiliates be requested to advise their locals of the adoption of this resolution and urge that it be given prominent publicity in their journals.

## Allied Printing Trades Label on Charitable Appeals

WHEREAS, The number of appeals for financial support by organized charities is ever increasing to the point where there now is practically an individual fund drive annually by groups organized to combat all known fatal and incurable diseases, in addition to the previously established organizations for general good and welfare of the needy, and

WHEREAS, These appeals are directed to the members of organized labor, and dependent upon the strong financial support of both the individual members and families of organized labor as well as all trade movement organizations; therefore, be it

RESOLVED: That this Eighth AFL-CIO Constitutional Convention do everything possible to advise all such welfare agencies to have printed and/or distribute only literature which carries the Allied Printing Trades Label, to the end that there will be evidence of reciprocal and mutual co-operation by the bodies organized.

## **Union Label**

WHEREAS, The purpose of a Union Label, Shop Card, Store Card and Service Button is to protect union workers, further their general welfare and enhance their job security as well as to promote a greater increase in demand for union products and services; and

WHEREAS, Through these insignia the mass purchasing power of organized labor becomes the only real effective means of advancing the principles of trade unionism and the economic well-being of organized labor; and

WHEREAS, The favorable impact of 13.5 million AFL-CIO trade union members on employers who have collective bargaining agreements with AFL-CIO unions is a reinvestment in good wages, working conditions and fringe benefits; and

WHEREAS, The division of the mass purchasing power and diverting it towards non-union or anti-union employers can only undermine all these things as well as creating self-destruction; and

WHEREAS, Trade unionists have historically been cognizant of the importance of looking for the Union Label, Shop Card, Store Card and Service Button as these emblems are a positive approach to education, organization as well as a means of improving the economic welfare of trade union families; therefore, be it

RESOLVED, That the American Federation of Labor and Congress of Industrial Organizations, in convention assembled, urge all its affiliated national and international unions to purchase only union products and use only union services in official functions of the particular organizations; and, be it further

RESOLVED, That the AFL-CIO wholeheartedly urge all its affiliates to enter into label agreements with employers with whom they have collective bargaining agreements; and, be it further

RESOLVED, That every effort be made to coordinate through the Union Label and Service Trades Department the promotion of the fair union employers, their products and services; as well as the unfair and/or anti-union employers, their products and services.

## **Participation in Union-Industries Show**

WHEREAS, Union-Industries Shows, sponsored and produced by the AFL-CIO Union Label & Service Trades Department, reflect the craftsmanship of all members and the progress made

by the American Federation of Labor & Congress of Industrial Organizations in general, and

WHEREAS, Union-Industries Shows have each year continued to grow in size, stature and effectiveness, and gain more and more acceptance and acclaim from both our own members and the general public, and

WHEREAS, All AFL-CIO national and international unions and their "fair" employers are eligible to participate in these annual displays of AFL-CIO craftsmanship, and

WHEREAS, Participation by all AFL-CIO national and international unions would broaden the scope of these exhibitions and greatly expand their ability to tell the trade union story to all the nation, and

WHEREAS, The Union Label and Service Trades Department, in convention assembled, unanimously voted to prevail upon each AFL-CIO national and international union to participate in these Union-Industries Shows by taking at least one booth in the Union-Industries Show in 1970 and 1971, and to invite their "fair" employers to do likewise; therefore, be it

RESOLVED: That the American Federation of Labor and Congress of Industrial Organizations also prevail upon each affiliated organization to participate in these Union-Industries Shows by taking at least one booth in the 1970 and 1971 Shows and extend an invitation to their "fair" employers to participate.

## **Union Label Week**

WHEREAS, The AFL-CIO Union Label and Service Trades Department maintains a constant year-round program to impress upon all members and their families and friends the importance of demanding union label products and patronizing union services; and

WHEREAS, The high point in each year's promotional campaigns has been the observance of Union Label Week; and

WHEREAS, This observance has each year become more national in scope and more effective at the local level; and

WHEREAS, The Union Label and Service Trades Department, in convention assembled, officially set aside the periods Sept. 7-13, 1970 and Sept. 6-12, 1971, as Union Label Week; therefore, be it

RESOLVED: That the American Federation of Labor and Congress of Industrial Organizations, in convention assembled, also officially designate the periods September 7-13, 1970, and September 6-12, 1971, as Union Label Week for those respective years.

## RAILROAD AND MARITIME ISSUES

### U. S. Flag Passenger Ships

WHEREAS, American flag passenger ships are powerful producers for our country's economy. They directly provide some 8,000 jobs even in their present diminished state plus many times that number in shoreside industry directly connected to passenger ship operation. They contribute about \$100-million a year toward a favorable international balance of payments, and

WHEREAS, The importance of modern passenger ships to our national prestige is immeasurable. Americans need only consider the great emotion that is aroused among Americans when great new foreign flag ocean liners such as the Q-2 arrives, realize what an impact a new "United States" or "Argentina," etc. would create in the hearts and minds of people around the world, and

WHEREAS, Equally important is the defense factor in great passenger ships. The need for such vessels has been proven time and again in Korea and Vietnam. Furthermore, the danger of relying solely on planes for troop transport has been proven in intercontinental maneuvers staged by the Pentagon, and

WHEREAS, The members and leadership of the maritime unions have recognized their responsibility to maintain the highest standards of service on U.S. flag ships and have established training programs to assure an adequate force of skilled dedicated service personnel; therefore, be it

RESOLVED: 1. We call on the President and the Congress to develop programs which will enable the nation to realize the full economic, strategic and psychological advantages of a first rate American-flag passenger fleet; including the immediate establishment of a cooperative to coordinate all U.S. passenger ship operations at reduced cost.

2. We call on the Maritime Administration to insist that companies which have committed themselves to passenger ship operation be required to fulfill their commitments to maintain and replace their passenger vessels.

3. We call on members of the AFL-CIO to patronize U.S. flag vessels wherever possible and to explore the possibility of holding conventions, etc., aboard U.S. flag vessels.

### U. S. Merchant Marine

WHEREAS, the runaway flag ships spawned by the fallacious "effective control" concept through mercenary U.S. corporations has placed more and more modern tonnage under foreign flag than exist in the U.S. fleet, and

WHEREAS, the nation's merchant marine has been jeopardized through maladministration of maritime laws, and

WHEREAS, the lack of an adequate merchant marine is detrimental to our foreign commerce, weakens our efforts to maintain a strong peace program, and threatens our national security, and

WHEREAS, the seapower program of the Soviet Union is already making great headway toward capturing the world's foreign commerce and controlling the commerce of many nations, in accordance with their announced plans; therefore, be it

RESOLVED: That the AFL-CIO continue to press the Administration and Congress for an adequate U.S. flag merchant marine program which will:

1. Support and sustain the Merchant Marine Act of 1936 as the national instrument of maritime policy, amending it cautiously where the lessons of time and experience clearly mandate.

2. Reaffirm the valid and time-tested concept that a strong U.S. flag merchant marine, American built and American owned, is essential to both the commercial well-being and national security of the nation.

3. Develop constructive means for transporting a "substantial portion" of our waterborne international trade. We must aggressively seek a declaration by the Administration and Congress that "at least 50 percent" of our foreign trade should be carried in American bottoms.

4. Exert all effort to have the Department of Defense provide more realistic consideration of U.S. flag merchant seapower in future military and defense planning. This calls for elimination of the fallacious "effective control" concept.

5. Exert all effort to have the United Nations call a conference of all world powers to work out rules of international law on use of the seas.

6. Support the principle of essential trade routes, but also provide (a) flexible adjustment in maximum and minimum sailings,

(b) facility in modifying ports of call, and (c) broader trade route determinations. Simplify procedures under Section 605(c) of the Merchant Marine Act of 1936 to facilitate determinations for expanded U.S. flag service.

7. Retain and strengthen our Cargo Preference Laws (after equating costs) by extending operating differential subsidy of the 1936 Act, to achieve "routing preference" only, thus offsetting similar preferential routing practices by competing foreign maritime nations. Concentrate overall supervision of Government-generated cargo movement aboard commercial shipping in one central organization, the Maritime Administration. Follow a policy of assigning preference-cargo to ships of companies engaged in carrying commercial cargo.

8. Build fifty new commercial ships a year under the Construction Differential Subsidy Section of the 1936 Act.

9. Develop a positive program for the revitalization of passenger ship fleet.

10. Re-establish the revolving construction reserve fund of the 1936 Act to provide for continuing fund replenishment from customs receipts.

11. Continue the opposition to the Department of Defense appropriation for the Fast Deployment Logistic Ships.

12. Support the revitalization of the fish industry through restrictions on imports and increased Government assistance, both financially and technically.

13. Maintain the cost equalization parity concept of the Merchant Marine Act of 1936 in both ship operation and construction.

Correctly identify and apply full parity between foreign and U.S. costs. Eliminate current Governmental practices to dilute the payment of fully equalized operating cost differentials to contracting lines.

Process the long delayed applications of berth lines for cost parity contracts under the Merchant Marine Act of 1936. Require as a condition to receiving operating differential subsidy that all companies involved subject themselves to normal regulations applicable to existing subsidy contract lines, and divest themselves of all foreign flag interests. Provide the cost parity concept to dry bulk carriers similar to that enjoyed by the berth lines, wherever practical. Require such carriers to divest themselves of all foreign flag interests.

14. View shipbuilding in the United States as a distinct industry, separate and apart from the operating merchant marine. Provide direct Government subsidy to the shipyards. Further, provide that any operator who becomes eligible for operating subsidy shall be eligible to receive ships built with subsidies al-

lowed the yards.

15. Modify the Merchant Marine Act of 1936 to provide capital reserve and/or special reserve privileges for dry bulk carriers similar to those enjoyed by the current subsidy contract berth lines. Extend this provision to Great Lakes shipping as well.

16. Repeal the no-mixing rule for inland barge lines so that large volume tows may continue to be operated and low rates for shippers preserved. Advance the replacement of obsolete equipment through provision for equipment trust arrangements. Oppose waterway or user charges on inland waterways.

17. Provide a realistic depreciation policy to stimulate investment capital for domestic waterborne commerce. Grant to domestic carriers the right to deposit a portion of earnings before taxes in a special reserve fund for purposes of ship construction, reconstruction or alteration as in the case of subsidy contract carriers. Amend Section 511 of the Merchant Marine Act of 1936 to accomplish this purpose.

18. Strive for programs and practices of upgrading of Americans and Panamanians and train new members to realize top classifications. In Panama, efforts must be exerted upon the Panama Canal Company, the military establishment, and all agencies and institutions employing workers.

19. Convince Government agencies to not reward corporations and persons who are not in compliance with U.S. laws, policies and practices. For example, the Department of Defense must stop awarding procurement contracts to companies whose aim it is to destroy union organizations. This applies to companies such as J. P. Stevens and to Contract Services, Inc.

20. Provide for at least three nuclear powered commercial ships, equipped with the latest nuclear units.

21. Provide for safety in the towing industry on our inland waters.

22. The oceans, the world's last natural frontier, which are expected to provide some forty percent of the United States' need for raw materials and foodstuffs, should be given a top priority by our Government for needed research and its inevitable development of resources to meet the population growth and its accompanying hunger. This should culminate in having a Cabinet-level Department of the Oceans in our Federal Government.

23. The shortage of U.S. flag tankers represents a major weakness in our security. Throughout the Viet Nam commitment the military has had to rely on foreign flag tankers to deliver petroleum products. This dangerous shortage can be eliminated only by a commitment of 50% of oil imports to U.S. flag ships—now. We strongly support such a position.

24. Provide for safety of life at sea for all who are employed aboard oceangoing vessels and for the travelling public by maintaining the present high standards of radio sea-safety provisions enforced by the Federal Communications Commission and by strengthening them; oppose any weakening of these provisions, such as the ambiguities in HR 5189 and HR 6971.

## Full Train and Yard Crews on American Railroads

WHEREAS, The railroads during the past decade have conducted a propaganda campaign against all operating employees unmatched in vilification, and

WHEREAS, They would have the public believe they are sincere in efforts to provide good service, and

WHEREAS, They employ slick public relations experts to persuade the public that automation has made full train and yard crews unnecessary, and

WHEREAS, In fact, technological change has resulted in job intensification by operating longer, heavier and faster trains, and

WHEREAS, Railroad management has tacitly admitted the need for full, safe train and yard crews by having signed more than 100 collective bargaining agreements which call for 1 conductor and 2 brakemen in road service, and 1 conductor (Engine Foreman) and 2 helpers (Switchmen) in yard service within the past four years; therefore, be it

RESOLVED: That the AFL-CIO assembled in convention, go on record in full support of efforts by the United Transportation Union to maintain full safe train and yard crews on American Railroads.

## Railroad Safety

WHEREAS, Railroad safety legislation is under consideration by the Congress of the United States due to the alarming increase of accidents on the railroads which took the lives of more than 2,400 human beings in 1967, in 1968, 146 employees were killed and 17,600 were injured, and

WHEREAS, A great number of these lives would have been spared if adequate inspection and maintenance of equipment and facilities had been enforced by law, and

WHEREAS, A review of railroad history points to the salient fact that railroads have only adopted practical safety measures when required to do so by enforcement of federal and state laws, and

WHEREAS, It has become clearly apparent to railroad workers and their union legislative representatives that additional federal legislation is needed to protect the public and themselves as the transportation of dangerous chemical and petroleum products roll across the country in volume increasing daily to serve our industrial complex; therefore, be it

RESOLVED: That the AFL-CIO, assembled give full support for the enactment into law of the proposed Railroad Safety Bills, S 1933 and HR 7068 and in the manner appropriate provide copies of this resolution to the Chairman of the Senate Commerce Committee, the Honorable Senator Warren G. Magnuson, and senators on this committee, and the same be done with respect to the chairman of the House Interstate and Foreign Commerce Committee, the Honorable Congressman Harley O. Staggers.

## Hours of Service Act

WHEREAS, The Hours of Service Act which applies to railroad operating employees was approved by the United States Congress in the year 1907, and

WHEREAS, This law enables railroad management to require operating employees to remain on duty for 16 hours in a period of 24 hours, and

WHEREAS, Technological change has resulted in job intensification which has vastly altered conditions under which railroad operating employees performs service, and

WHEREAS, The Presidential Railroad Commission as far back as 1962 recommended a 12 hour limit in place of the 16 hour limit, and

WHEREAS, The Brotherhood of Railroad Trainmen now in the United Transportation Union at its past Convention instructed its Legislative department to seek a change in the law from a 16 hour limit to a 12 hour limit; therefore, be it

RESOLVED: That the AFL-CIO, assembled Convention, give full support for the enactment into law Bills, S 1938 and HR 8449 and in the manner appropriate copies of this Resolution be provided to the Chairman of the Senate Commerce Committee, the Honorable Senator Warren G. Magnuson, and all senators on this committee, and in the same manner provide copies to the Chairman of the Interstate and Foreign Commerce Committee, the Honorable Congressman Harley O. Staggers, and all congressmen on this Committee.

# INTERNATIONAL AFFAIRS

## The Present International Situation

Our estimate of the present international situation is presented fully in the Executive Council Report. To bring the situation up-to-date in regard to most recent developments of great concern to the American people, the Convention notes with approval the efforts made by President Nixon to bring the war to an end through negotiating an honorable peace.

The cause of peace can never be helped by division at the highest level of our government or by the call for unilateral American withdrawal. Such moves serve to negate the persistent efforts for peace being made by the President and only encourage the North Vietnam regime to continue the war and count on its sooner or later forcing our country to accept its demand for American capitulation.

In this critical situation, we reaffirm our solidarity with the Vietnamese Confederation of Labor (CVT) and salute its steadfast endeavors for the cause of democracy and social justice.

The Eighth Constitutional Convention of the AFL-CIO sharply condemns Moscow's aggression against Czechoslovakia and protests against the occupation of the country and the outrageous Soviet ordered purge of Dubcek and the others who dared raise their voice for some liberalization. We demand the immediate withdrawal of all Warsaw Pact forces and the restoration of the status quo ante. We urge our government to raise these demands in any bilateral talks with the Soviet government and in the UN General Assembly. The Convention assures the brave people of Czechoslovakia, and especially their courageous workers fighting for free and democratic trade unions, of the sympathy and solidarity of the American labor movement.

To justify its rape of Czechoslovakia, the Soviet government has proclaimed the so-called Brezhnev doctrine. According to this doctrine, Communist countries enjoy only limited sovereignty while Moscow has the right to intervene in their affairs as it pleases. This new policy has destroyed all hopes for early and fundamental changes in the Soviet Empire. It constitutes a formidable roadblock to German reunification in freedom, since it guarantees the preservation of East Germany as a "socialist state."

## Latin America

The world below the Rio Grande is a vast and vital area in the throes of profound change—crumbling traditional social structures, rapid urbanization, huge population growth and intense yearning by the people for human dignity and a more just and adequate share in the benefits of modernization.

At least six Latin American countries already qualify as industrial states. This trend towards industrialization puts into sharp contrast the conditions in neighboring Latin American lands still steeped in agricultural and industrial backwardness, with their economies depending primarily on a single commodity for export, and weighed down by poverty and subject to chronic political instability.

Which way Latin America goes in its efforts to solve its many difficult social, economic, and political problems will have a profound effect on the entire course of international development—towards freedom, prosperity, and peace or towards dictatorship, destruction and war.

Because of our geographical proximity, traditional identification with the democratic aspirations of our neighbors to the south, essential identity of cultures, and many years of close relations with the Latin American peoples, our country has a special interest in helping these nations help themselves to become prosperous democracies contributing decisively to the promotion of freedom, social justice, and world peace. The urgent needs of Latin America and the protracted international crisis require that our country should be an active friend and partner of its peoples in their strivings to build a modern society unburdened by poverty and illiteracy and free from the peril of every form of dictatorship.

Towards this end, the Labor movement of the U.S. must spare no effort to help the Latin American and Caribbean trade union forces play their rightful role in building their homelands into increasingly stable democracies with expanding educational facilities and opportunities, sound and viable economies and the assurance of a just and adequate share in the benefits of higher agricultural and industrial productivity. The very nature and experience of our trade union movement enable us to stimulate and assist activities by the great mass of people—the workers on land and in the urban areas—who are responsive to self-help initiatives. The AFL-CIO Impact Projects and the AIFLD social projects have been of real assistance to campesinos and city workers in developing self-reliance—their own initiatives to secure democratic institutional changes and improvements.

We have worked loyally in the spirit of Title IX of the Foreign Assistance Act and in the furtherance of its basic aims. In line

with AFL-CIO policy, AIFLD educational efforts have helped Latin American workers and compesinos "to participate more fully in the civic and social institutions through which decisions are made." And we have consistently stressed that "the goal of development must be seen as encompassing far more than mere economic growth." This means higher wages, improved living standards, more and better education, assurance of human rights and active assumption of civic responsibilities.

The Eighth Constitutional Convention maintains that the program put forth, two years ago, by the Summit Conference at Punta del Este (Uruguay), provides sound guidelines for transforming Latin America into a continent of increasingly democratic and prosperous societies. In a basic sense, this transformation cannot be made for, but must be made by, the Latin Americans themselves. Outside assistance without expanding national self-help cannot have any lasting value.

We further underscore our support for the concept of the Alliance for Progress. In appraising its record, we must realize, first of all, that problems accumulated in four centuries cannot be solved in one decade. Its basic concept is sound; its application can be improved. Stripped of frustrating bureaucratic requirements, and over-optimistic forecasts for collective progress and unrealistic goals, the Alliance will be still more helpful. It has already demonstrated its great value in stimulating and assisting policies for meeting some of the problems with which the Latin American peoples have been struggling for many years.

Since 1960, the central governments of eleven countries have increased their expenditure on education by more than 11%. School enrollment has risen considerably throughout Latin America—55% increase in primary schools, with about 60% of those of primary school age now enrolled. Enrollment in secondary and higher schools has more than doubled. The central governments of many countries have increased substantially their expenditures on agricultural development, with eight countries more than doubling their outlays. In modernizing their tax systems, half the countries have raised their central government revenues by over 60%. Last but not least, gross investment has more than doubled in five countries; in four, there was an increase of more than 50%; eight central governments have raised their capital outlays by over 60%; in five, capital outlays rose by more than 100%.

What has already been done shows how much more can and must still be done. The soundest foundation for the well-being of the great mass of the people is the expansion of the domestic market. This expansion is most urgent and can be assured only by increasing their purchasing power and instituting a more equitable distribution of the national income.

Regardless of differences between various dictatorships, free labor cannot support any of them, no matter how much they may camouflage their seizure and abuse of power with glittering promises for social reforms or mask their hostility to democracy with demagogic nationalist-sounding phrases.

The co-operation of any military junta with local communist forces or with communist governments makes it only more dangerously reactionary—a greater threat to democracy without which there can be no bona fide free labor movement.

Experience has shown that arms sales to Central and South American governments for other than purposes of internal security only serve the reactionary interests and aggravate the dangers of war. Social and economic development is the first line of national defense for the Latin American countries. After all, the danger of external invasion in Latin America is unreal, owing to the shield provided by the OAS in which our country is an active participant.

As shown by its role in hastening the end of the Honduras-San Salvador conflict, the OAS can be a valuable peace-keeping force in the Americas. The OAS has likewise played a constructive role in its support of the Central American Common Market, the Alliance for Progress, the Declaration of Cundinamarca, and the Action Plan of Caraballeda which recognized the need for labor participation in the planning councils of the southern hemisphere.

The peoples of Latin America are moving forward, despite all the difficulties at hand—the ancient inertia, big landholders hostile to extensive land reforms and improved agricultural technology, the neo-isolationists in the U.S. masquerading as liberals, the irresponsible pseudo-left demagogues who promise the millennium overnight and the ever-destructive role of the Communists as a Soviet fifth column. The developing momentum for economic growth, coupled with social justice, is already impressive and will sweep aside the obstacles to progress throughout Latin America—progress which will count decisively in helping the entire world free itself from the burdens of poverty and the inhumanity of dictatorship and war.

As citizens and as workers, we of the AFL-CIO are pledged to tireless efforts in the promotion of the aims set forth in this declaration. Through our Union to Union Program, effective co-operation with ORIT and continued support of AIFLD, we shall generate mutual understanding and confidence in the ranks of inter-American labor and rally all-out support for the triumph of democracy and social justice throughout the Americas.

## For Peace and Progress in the Middle East

The Convention views with satisfaction the recent talks between President Nixon and Prime Minister Golda Meir as a symbol and demonstration of friendship between the American people and the people of Israel in the continuing effort for peace.

In this connection, we welcome President Nixon's statement before the UN General Assembly on September 18, 1969 in which he emphasized the need for a directly negotiated commitment for peace between Israel and the Arab states.

An essential pre-requisite for peace in the Middle East is the elimination of further military conflict. Hence, the need to support Israel's capacity for defense, in view of the escalated massive flow of Communist weapons to Egypt, Syria, and Iraq. To upset the delicate balance of arms would expose Israel to an Arab onslaught and imperil her very existence. We, therefore, call upon the President and our Government to take urgent note of Israel's legitimate needs for defense with particular regard to aircraft and tanks. What the Republic of Israel needs are the means with which to defend herself and prevent another war which might lead to a world conflagration.

The AFL-CIO Convention views with deep concern the repeated occurrence of air piracy. In this connection, we demand the immediate release of the two Israeli civilian nationals held illegally in a Syrian jail, after being forcefully abducted from an American civilian passenger plane. We call upon the U.S. Government to step up its efforts for their release.

Our government would be well-advised to provide Israel with economic assistance to help her carry the enormous burden on her economy as a result of the continued hostility by the Arabs. In this connection, we strongly condemn the unrelenting terrorist drive by the various guerrilla groupings. These attacks—in violation of all international law, and with the backing of Nasser, his allies, the Moscow bloc, and Peiping—are aimed at disrupting Israel's economy, terrorizing the people of all countries which have peaceful relations with Israel and preventing a peaceful settlement of the Arab-Israeli conflict.

The Convention urges the UN to make a thoroughgoing survey of the conditions of the Arab population in Israeli-occupied territory and the Jewish minority in the various Arab lands with a view of recommending the measures necessary for eliminating inhuman and unjust treatment wherever found.

## Developments in Africa

Supplementing the section of the Executive Council Report in regard to Africa, the Convention points to two recent significant developments.

The recent transfer of government from military to civilian rule in Ghana is the most welcome development in Africa in recent years. After being under military rule for 43 months—which followed the overthrow of the Nkrumah dictatorship—the Ghanaian people will now have civilian government with a democratic constitution which was adopted after consultation with them. The democratic forces participated actively in the elections and set a worthy example for the rest of the continent.

The tragic war between the Federal Government of Nigeria and the secessionist province of Biafra goes on. We support fully all humanitarian efforts to aid the victims of the war. We reaffirm our belief in the necessity of restoring and maintaining Nigerian national unity. In this spirit, we reassert the following declaration of the Seventh Constitutional Convention:

"Though not defending every action of the present Federal Government and while recognizing the justified reaction of the Ibo peoples of East Nigeria to the massacre of their people in the North, we cannot accept the idea of secession. . . . The entrance of the Soviets into the Nigerian picture is to be regretted. This Soviet incursion is, in a measure, due to the hesitation and reluctance on the part of the Western world to support the Federal Government in deed as well as in word."

## ICFTU

The Eighth Convention approves the Executive Council Statement of May 14, 1969 on the difficulties which have arisen in the ICFTU and the resulting differences between it and the AFL-CIO.

We approve the steps taken by the Executive Council to prevent the breach in the international free trade union movement and the efforts of the Executive Council to achieve the restoration of free world labor unity.

## National and International Waters and Jurisdictions

Technological advances in recent years have given new emphasis to unsettled problems with respect to areas of the earth covered by seawaters. Some of the questions involved are: (1) Who owns or has jurisdiction over the lands covered by seawater, during either high or low tides or both, which are contiguous to national coastlines? (2) Who has jurisdiction over lands under seawater which are beyond, but immediately adjacent to, tidal areas? (3) Who has jurisdiction over underwater lands beyond claimed national territorial limits and the edge of the continental shelf, and how is this question affected by the relative width or narrowness of the continental shelf? Who has jurisdiction over the high seas beyond the continental shelf and, most difficult of all, who has jurisdiction over the bottom of the oceans under the high seas?

These questions have always been troublesome, but their seriousness has been intensified by improved fishing techniques, exploration for oil on the continental shelf, the rapid development of oceanography, the development of atomic power, and other technological developments.

In the past, the rule of thumb was that a country's jurisdiction extended outward from its coast to the extent it was able to enforce its will by naval strength. The curtailment of this rule of thumb began with the development of the doctrine of freedom of the seas. This doctrine was fashioned into international law and sustained by powerful sanction when the British ruled the oceans. Once it was rather generally held that a country could validly claim jurisdiction over all areas within three miles of its coasts. With the development of bigger ships and more powerful guns, the three-mile limit was extended to twelve miles, and twelve miles as a limit became a kind of rule of thumb.

All of these solutions have been antiquated by technology. Fishing is no longer a primitive and simple operation. It has become a most sophisticated food-producing industry involving costly fleets and electronically guided catcher boats. In consequence, Americans, Japanese, British, and Portuguese—and more recently Japanese and Russians—have regarded the oceans as legitimate international fisheries so long as there was no poaching within the twelve-mile limit. However, more recently the great new "mother" fishing ships carrying "factories" aboard and their accompanying fleets have brought to a head the question of how closely foreign fishing fleets may approach national territorial limits. Lately, Peru, with its South Atlantic

coastline of over 5,000 miles, has extended its territorial waters two hundred miles offshore over the waters of the Humboldt current which teems with fish. This extension is being opposed by American and other worldwide fishing operations.

In addition, some well-known and formerly productive fisheries have, in recent years, become completely or partially unproductive. The Grand Banks between Canada and Northern Europe have almost ceased to be productive. Our own salmon grounds, particularly off the coast of Alaska, are being despoiled by Japanese and Russian fishing operations. Examples can be multiplied indefinitely. Unless some equitable settlement is reached in international agreement, most of the great fishing grounds may be ruined by reckless exploitation.

The United States pioneered in offshore exploration for oil. Formerly, the principal question in this area was whether the Federal or the state government had jurisdiction over the area of exploration. This aspect of the problem has recently been intensified by growing national awareness of the dangers of oil and other forms of pollution. At the same time, offshore drilling, by American and other oil explorers, has become almost worldwide. Experts believe that oil explorers now have it within their power to deplete rapidly any and all oil reserves at least within the continental shelf, because of the extreme variation in the width of the continental shelf. Nations are having great difficulty in attempting to delineate areas within which drilling by foreign interests can be safely permitted.

Oceanography, still in its infancy, seems to promise access to comparatively inexhaustible mineral, chemical, and nutritional resources. At present no one owns or claims jurisdiction over the depths beyond the continental shelf. Are rights there to be developed on a first-come, first-served basis? That was the rule of thumb for the establishment of rights in the New World after Columbus. However, to continue, in the present critical world situation, sub-division of the ocean-bottom on this archaic basis might lead to dangerous international confrontations. Closely related to this problem is the question whether, or to what extent, the ocean bottoms are to be used for military purposes.

In view of the aforementioned developments, the Convention calls upon our government to take the initiative in having the U.N. act for an effective international agreement for solution of the complex problems involved. Such American initiative will serve the best interests of international understanding and world peace.

The Convention further proposes that AFL-CIO maritime representation be included on all U.S. government boards for-

mulating policy on the above matters and on any U.S. delegation co-operating with the U.N. committees concerned with these problems.

## Safeguard and Improve the United States Overseas Aid Program

Our country is a member of the world community. In the present time, when more than two-thirds of the world's population is emerging into an unparalleled political, social, and economic transformation, the United States cannot shirk its responsibilities, cannot be isolationist.

In this realization, the Eighth Convention declares that it is in the interest of the American people to promote conditions which are conducive to peaceful progress rather than to tension and violence. By helping the developing countries build vital economies geared to providing decent conditions of life and labor our country will make a vital contribution to the maintenance of world peace and advancement of freedom.

From trade unions, effectively promoting the conditions and standards of the workers in the developing countries, are essential to the attainment of this vital objective. Hence, the lasting value of the systematic and varied AFL-CIO assistance given to the rising trade union forces in their efforts to liberate themselves from poverty, ignorance, and lack of skills. The human and social factors must always be given prime consideration in all such endeavors, if they are to be fruitful.

Overseas aid is not a cash handout. It should be, above all, a program for providing technical know-how, assistance to human institutional development, education, agriculture and better health. It is a time-tested truth that if you hand a man a piece of bread or a bowl of rice, he will be fed only once, but if you teach him how to bake bread or grow rice, he will eat all his life.

The western democracies have done much more than the Communist powers to help the developing countries in their strivings to modernize their economies and close the dangerous gap between the poor and richer nations. This was recognized by the recent session of the United Nations Council for Trade and Development (UNCTAD) which reported that trade between the developing countries and the Communist lands was only about one-tenth of that with the non-Communist nations. However,

this should not make Americans complacent. Though the United States has more than half the combined income of the developed free world countries, we have provided less than half of the aid flowing to the developing nations. Last year, according to the findings of the Development Assistance Committee (DAG), our country was twelfth among the nations in the share of their gross national product (GNP) devoted to help for public and private development—well below Belgium, Britain, France, Germany and Holland.

The substantial reduction of the 1969 fiscal aid program has further reduced our proportionate share. President Nixon's budget proposed for fiscal 1970 requests that less than one half of one percent of our GNP should be allocated for economic aid to low-income countries. This contrasts with the almost 2% of our GNP which we provided Europe twenty years ago during the Marshall Plan.

In fact, the very idea of American overseas aid is now in serious jeopardy. Every American devoted to human well-being, freedom, and peace should be aroused to defeat the overt and covert efforts to end the Aid Program. Without adequate American overseas aid, the gap between the richer and poor nations can never be narrowed, let alone closed. 103 of the 139 independent states are still developing countries. Continuous progress towards narrowing this gap is essential to mankind's peaceful achievement of social progress and maintenance of world peace. To help the realization of this goal is not only our responsibility, but also our great opportunity.

Fully aware of the need to make our country's aid efforts more effective in helping the great mass of the people in the developing countries meet their pressing human needs, the Eighth Convention of the AFL-CIO reaffirms the following declaration made by the Executive Council on February 24, 1969:

"To insure that the great mass of people, rather than any privileged minority, in the developing countries, are the primary beneficiaries of American assistance, increasing emphasis should be put on expanding the activities of organizations like AIFLD, AALC, and AAFLI which promote the building of democratic institutions (free trade unions, cooperatives, private local impact projects, etc.)"

The world calls for greater endeavors by our country and expanded international collaboration to help the developing nations in their historic effort to achieve economic progress and assure their population an increasingly adequate and equitable share of the benefits of modernization.

## Ratify the Human Rights Conventions

The history of the American labor movement is a history of struggle for human rights and the advancement of human well-being. In line with these aspirations, American labor has, for years, been seeking to have our government ratify certain basic human rights Conventions of the I.L.O.

The Eighth Constitutional Convention of the AFL-CIO strongly deplores the failure of the U.S. Senate, which has the responsibility for the ratification of Conventions (treaties), to do so.

Nearly twenty-one years ago—December 9, 1948—the U.N. General Assembly approved the Convention on the Prevention and Punishment of Genocide. To date, seventy-three nations hav ratified this Convention. But the U.S. has not yet done so.

Eighty-two nations have ratified the Convention for the Abolition of Forced Labor. But the U.S. has not yet done so.

Sixty-one nations have already ratified the Convention on the Political Rights of Women. But the U.S. has not yet done so.

Seventy-six countries have already ratified the Convention on Freedom of Association. But the U.S. has not yet done so.

So far, the Senate Foreign Relations Committee has acted favorably only on the Supplementary Convention on Slavery. The other Human Rights Conventions (considered as treaties) have rested in the Senate Foreign Relations Committee for years. The advice and consent of the Senate—with two-thirds of the Senators present concurrng—are required for the ratification of treaties. This advice and consent for their ratification is long overdue. The best interests and good name of the American people are not served by those who, through acts of omission or commission, deny or delay such advice and consent. Further denial or delay will serve only those who seek to misrepresent the ideals and slander the aims of our country.

The so-called sanctity of "states' rights" can no longer serve as an excuse for refusing to ratify these Conventions, because the American people, as a whole, already enjoy the freedoms, rights, and standards called for by these conventions. Indeed, it was not because of the non-existence of these rights in America that our country was a foremost champion of the above mentioned conventions. The U.S. pushed for their adoption by the United Nations in the interest of those peoples whose governments deprived them of these freedoms. The non-ratification of these conventions by the U.S. serves as an excuse for such governments either not to ratify or not to implement them. It furthermore handicaps the U.S. in pressing for U.N. investiga-

tion of violations of these Conventions, one of the most flagrant being the Soviet Union's brazen disregard of the convention on forced labor.

We propose that a full scale debate on these Conventions be held in the U.S. Senate in order to help overcome the evil effects caused by the years of delay in acting on them. Such a debate would also serve to expose and refute the hostile propaganda against our country's world role.

We appeal to the members of the U.S. Senate and particularly urge every member of its Foreign Relations Committee to have its Chairman, Senator Fulbright, cease and desist from all further delays in recommending ratification of the above-cited remaining human rights treaties. The national interests of the American people, the international repute and stature of our country, demand prompt Senate ratification of these Conventions.

## International Trade

Organized labor's consistent support of U.S. reciprocal trade policies and the expansion of world trade has been based on the goal of increasing employment and improving living standards at home and abroad.

Changes in world economic conditions require changes in U.S. trade policies. The Reciprocal Trade Agreements Act was adopted in 1934, during a depression which was aggravated by world-wide protectionism. The General Agreement on Tariffs and Trade of 1947 was signed amidst war-devastated national economies in most parts of the world. The Trade Expansion Act was passed in 1962 with great expectations that have not been fulfilled and with the promise of adequate adjustment assistance for adversely affected workers and firms that has not been kept.

In 1967, the AFL-CIO called on the Administration and the Congress to reassess and revise the nation's trade policies, in the light of substantial changes in international investment, production, economic aid and trade. But these policies have not been updated. In 1969, the continuing deterioration of the U.S. position in world trade requires new national policies.

The overall U.S. position in foreign trade has deteriorated, while world trade has expanded substantially. In manufactured goods, U.S. exports have declined from 27.7 percent of world exports to foreign markets in 1958 to about 23 percent of much greater world exports in 1968. U.S. exports have been rising slowly, while imports, particularly of manufactured and processed goods, have been rising rapidly. The result has been a narrowing

surplus of exports over imports—down to \$800 million in 1968—and no improvement is predicted for 1969.

Temporary factors, such as the rapid growth of the U.S. economy from 1965 to 1968 and the more rapid rise in the price level since 1965, can explain only part of this deterioration. Basic causes of the change involve new factors that came to the fore in the 1960s and pose more serious problems for the 1970s.

By the 1960s, regional trading blocs and the revived economies of previously war-shattered nations were creating new trading conditions for the U.S.

During the past twenty-five years most countries moved to manage their national economies—with direct and indirect aids for exports and bars to imports that have affected the U.S. trading position.

The skyrocketing investments of U.S. companies in foreign operations—combined with licensing arrangements and patent agreements—have transferred American technology and know-how to plants throughout the world. As a result, the U.S. productivity lead has been narrowed or eliminated in numerous industries. Much of the foreign operations of U.S. firms, in plants, with American technology, that pay workers as little as 15 cents an hour, substitutes for U.S. production—exporting American jobs and displacing U.S.-produced goods in American and world markets.

The rapid growth of U.S.-based international companies has been substantially changing the composition, as well as the size of U.S. exports, imports and the trade balance. These companies can juggle exports, imports, prices, profits and dividends from one subsidiary to another, across national boundaries, for the private advantage of the firm. In 1969, a large share of U.S. exports and imports are intra-corporate transactions, within the structure of U.S.-based international companies.

Moreover, while U.S. trade, investment and aid policies have fostered expanded world trade and the rapid development of foreign production, many other nations' policies have failed to move in a similar direction, at a pace that would help equalize the healthy improvement of living standards among nations. In addition, emphasis on expanded trade in many industrial and developing nations has failed to take into consideration the need to expand consumer markets and to improve domestic economic and social conditions. At the same time, the vast American market, with its high living standards, is a prime attraction to the exports of foreign firms and foreign subsidiaries of American companies.

The combination of these conditions has resulted in soaring increases of imports of a wide and spreading variety of products and components in recent years—disrupting markets, with ad-

verse impacts on workers, communities and smaller companies.

Old concepts and labels of "free trade" and "protectionism" have become outdated in this world of managed national economies, international technology, the skyrocketing rise of U.S. foreign investment and the growth of multi-national companies.

AFL-CIO support for the orderly expansion of trade does not include the promotion of private greed at public expense or the undercutting of U.S. wages and labor standards. Our support for expanded trade involves the expansion of employment at home and among our trading partners. Our objective is to actively promote improved living standards and working conditions here and abroad.

No single action can attempt to meet the varied complex of trade and investment issues. There is no single measure that can solve the problems of different groups of workers in different industries and product-lines.

A battery of realistic policies and measures must be adopted and implemented to meet the needs of over 200 million people in a diverse national economy of continental size. Therefore be it

**RESOLVED:** 1. The AFL-CIO supports the healthy expansion of international trade on a reciprocal basis in the national interest. The foundation of government policies on international investment, trade and economic aid should be the well-being of the American people.

2. Appropriate government and private actions should be encouraged to promote growing exports. Such expansion, however, has no priority over domestic needs. Tax incentives or subsidies to business for export purposes are unnecessary.

3. We call upon the government to enforce, without undue delay, the laws that apply to unfair competition from foreign countries, such as antidumping and other appropriate measures. Through administrative procedures, the U.S. should pursue concern for domestic interests, as foreign countries do for their national interests.

4. The Trade Expansion Act of 1962 should be revised. The escape clause mechanism should be made effective by changing the criteria for relief. The law should clearly state the objective of protecting jobs and labor standards.

Section 252 of the Act, which calls for the removal of U.S. concessions to any nation which raises unfair or unreasonable barriers to U.S. exports, should be rewritten to clearly include exports of U.S. industrial, as well as agricultural products.

Congressional authority to negotiate removal of non-tariff barriers should exclude any adverse impacts on U.S. minimum wage, national labor standards, consumer protection and social legislation.

An effective and workable trade adjustment assistance mechanism must be adopted, as an integral part of the nation's trade policy. Trade adjustment provisions should be amended to make the government's judgment of criteria for relief more realistic and equitable. The administration of trade adjustment should be changed to insure that a worker displaced by imports receives assistance. Decisions on trade adjustment assistance cases should rest in the Executive Branch of the government and not in the Tariff Commission.

Statutory authority should be granted to the President for emergency action, including trade restraints, to meet monetary and trade crises.

5. The International Cotton Textile Agreements should be renewed without any erosion in its safeguards against disruption or its effective enforcement. Supplementary agreements covering international trade in textiles and apparel made of other fibers should be negotiated or the AFL-CIO will support Congressional legislation for appropriate action.

6. Additional agreements to regularize world trade are needed and should be concluded in industries and for products sensitive to disruption by rapidly rising imports and unfair competition. We urge the executive Branch of the government to negotiate, as soon as possible, international arrangements to prevent market and job disruption in such industries and products. If the executive agencies of the federal government fail to engage in such negotiations, covering these problems, the AFL-CIO will support appropriate Congressional legislation.

7. Any extension of tariff-cutting authority for compensation purposes should be minimal.

8. No tariff-cutting authority, beyond the authorization of the Trade Expansion Act of 1962 should be approved if there is any change of the methods of valuation of imports, such as the American Selling Price.

9. The United States should seek the development of workable international fair labor standards in international trade through international negotiations. This aim should be sought not only to protect U.S. workers against unfair competition, but also to assure workers in other countries a fair share of the increased returns resulting from expanded trade. The United States should seek annual reports from member countries of the GATT on labor standards of exporting countries.

10. The United States should try to help developing countries in their efforts toward improved trade and economic development. The goal should be the development of viable free societies in those countries, with growing consumer markets and improving labor standards. Economic aid should emphasize internal, not trade-led development. Expanded trade should be viewed as a

supplement to, and not a substitute for the sound economic development of those countries, based on expanding domestic markets.

Any exploration of preferences on semi-manufactured and manufactured products from developing countries should include appropriate mechanisms for preventing market disruption and adequate fair labor standards, as well as general, equivalent programs among all major industrial countries. In addition, commodity agreements that are effective both for producer and consumer interests should be worked out. Such agreements should contain effective clauses for fair labor standards; they could provide a basis for needed expanding consumer markets in the developing countries, as well as a fair share of economic progress for workers.

11. The export of U.S. capital and its effect on international trade should be thoroughly investigated and appropriate government supervision and necessary regulations should be instituted. Until there is a basic improvement of the balance-of-payments problem, there should be direct restrictions and controls on U.S. investment in developed countries. Mechanisms for such restrictions are already established in all other major industrial countries. Effective tax policies should be adopted to prevent avoidance and/or evasion of U.S. taxation on profits from foreign investments. The Congress should examine the operations of international companies for the purpose of developing supervision and regulation of the operations of U.S.-based multi-national firms.

12. Consumer interests in international trade require adequate labeling of foreign products and foreign-made components by both the Federal Trade Commission and the Customs Service. The Federal Trade Commission and other administrative agencies of the U.S. government should emphasize the need for consumer protection and consumer information in the enforcement of the nation's consumer legislation.

13. East-West trade should be viewed as a tool of our nation's foreign policy, not a mere commercial issue. Appropriate precautions against exporting U.S. technology and prohibitions against exporting strategic items are essential.

14. The U.S. government should encourage the use of U.S. flagships and seek to remove freight rate discrimination against U.S. exports.

15. Item 807 and similar provisions of the tariff code, which provide financial encouragement to foreign production and the juggling of operations by international companies, should be repealed.

16. Studies should be conducted to determine new approaches to international trade. Such studies should include recommen-

dations for better mechanisms for dealing with problems of injury from trade, for examining new bargaining strategies, for improving the government's ability to collect and distribute information on international trade, investment and economic aid. Legislation should be adopted to require federal agencies to collect and publish information on international trade, aid and investment relationships and product flows. We ask the President of the AFL-CIO to appoint a permanent committee to study in depth the problems caused by multi-national corporations.

## The Export of American Jobs

The skyrocketing rise of foreign investments of U.S. companies—accompanied by licensing arrangements and patent agreements of U.S. companies with foreign firms—has resulted in the export of American technology and American jobs.

Direct investments of U.S. firms in foreign subsidiaries, factories and other facilities soared from \$3.8 billion in 1960 to \$10.7 billion in 1968. These investments have been financed partly by outflows of U.S. capital, partly by profits and depreciation of foreign subsidiaries and partly by foreign-raised capital.

Outflows of U.S. capital for the direct investments of American companies in foreign subsidiaries skyrocketed from \$621 million in 1950 to \$1.7 billion in 1960 and to \$3.6 billion in 1966—a major cause of the balance of payments problem. Even with government restraints in 1968, these outflows of private American capital were \$3 billion.

The operations of foreign subsidiaries of U.S. companies and "foreign flag" shipping have cost American jobs, invaded hard-won gains of U.S. unions and threaten to undermine labor standards in some industries. Each dollar of these foreign investments does not represent the export of American jobs. But much of the approximately \$100 billion in U.S. private investments in foreign subsidiaries has substituted foreign low-wage jobs, with American technology, for U.S. production and American jobs—without benefiting either economy in fair measure.

U.S. firms have set up plants, with American technology and American productivity levels, in numerous countries around the world. The exported technology is often the product of U.S. government-subsidized research and development, paid for by American taxpayers. Workers in these plants, earning as little as 15 cents an hour in some countries, produce parts or whole products for sale in the U.S. market at U.S. prices. Or the goods may be sold in world markets, in direct competition with U.S.-produced goods.

Competition in world trade has become increasingly based on wage or tax competition or both—defeating the goal of sound economic growth, which requires expanding consumer markets in foreign countries and at home. Moreover, the U.S. government provides assistance to U.S. companies that seek foreign locations for plants and other facilities.

U.S.-based international companies operate plants and other facilities, for their private advantage, in as many as 40 or more different countries—substantially changing patterns and impacts of world trade and investment. In the name of "free trade," "world competition," and "American interest," many U.S.-based international companies juggle production, employment, prices, profits, shipping, technology, patents and national currencies across boundary lines and oceans, to build world-wide concentrations of economic power in various industries.

The export by private U.S. companies of patents, frequently developed at the expense of the U.S. government and taxpayer, is a developing form of exporting American jobs, in addition to the direct establishment of subsidiary operations. Entire plants and branches of industries are being shut down or cut back, so that U.S.-based international conglomerates can make financial gains.

American workers are affected by these trends, as foreign production by subsidiaries and holders of U.S. patent and licensing agreements substitute for some U.S. exports, add to U.S. imports, compete with U.S.-produced goods in the American market or world markets. The effect may be immediate, with plant or department shutdowns—or long-range, in the failure to increase U.S. production sufficiently to provide jobs for a rapidly growing labor force.

American taxpayers pay part of the cost of these developments, when government-subsidized new technology is exported through foreign investments, patent agreements or licensing arrangements of U.S. firms for their private advantage. Taxpayers also pay for the assistance of government agencies to companies that are looking for foreign operations, as well as for the adverse impacts on communities and job opportunities.

Moreover, the American consumer pays U.S. prices for the goods produced and shipped under these conditions—providing fat profit margins for the companies.

The U.S. government has not taken necessary steps to supervise the outflows of private capital. Government restraints, adopted in 1968, have been weakened substantially, while government assistance to foreign operations of U.S. companies continues. Therefore, be it

**RESOLVED:** The federal government should adopt and put

into effect measures to supervise and regulate the outflows of private American capital.

We urge the Congress to investigate the foreign operations of U.S. companies—with special reference to impacts on American production, employment and living standards—to improve measures that can effectively curb the outflow of American capital.

Congress should enact legislation to supervise the operations of U.S.-based international companies.

Section 807 and similar provisions of the U.S. Tariff Code, which encourage the export of American jobs through special low tariffs on imports of goods that are partially foreign-produced, should be repealed.

The federal government should enforce U.S. laws on unfair competition and antitrust, as they apply to imports.

We urge the Congress to examine methods to bar the use of U.S. trade and investment policies for strikebreaking and the undermining of American labor standards.

Congress should require federal agencies to collect and publish adequate data and information on foreign trade and investment—including the imports, exports, investments, patent and licensing arrangements of U.S.-based international companies.

## U.S.-Mexican Economic Relations

Friendly relations between the United States and Mexico require programs that enhance the well-being of people in both countries. However, continued exploitation of workers in the name of friendship and economic development threaten to undermine this goal.

The Mexican government's border industrialization program and its National Frontier Program (PRONAF) have been used to lure U.S. firms to set up plants South of the U.S. border—to use low-wage Mexican labor to assemble goods for shipment and sale to U.S. consumers at U.S. prices, while Mexican consumers cannot buy these Mexican-assembled products in Mexico.

Non-union plants, evasion of Mexican laws and cheap labor production for the high-priced U.S. market do not build friendship or economic development on the Mexican side of the border. False propaganda about jobs attract more Mexicans northward which worsens unemployment and social conditions on both sides of the border. In addition, the effects of the program extend beyond the border area, as some U.S. firms have used the basic

principles of the border program in the heart of Mexico—the use of cheap wage labor, exclusively for export to the high-priced U.S. market.

In the United States, the tariff law gives financial aid to this effort, and U.S. customs and other government officials have worked to promote the program. Yet the export of U.S. jobs occurs primarily in the Southwestern United States where farm employment is declining. The border unemployment rate is nearly 6% overall and some border counties report unemployment rates of 9%. Moreover, hundreds of thousands of American families in the area have annual incomes of less than \$2,000. Some of the jobs exported to Mexico affect needed employment in other areas of the United States, as well, including communities that have an urgent need, to maintain job opportunities for unskilled and semiskilled workers. These developments also adversely affect the efforts of many American workers to improve their wages and working conditions.

But U.S. border cities, some state development authorities and even some U.S. government officials, continue to support and promote the program of transferring assembly and other labor-intensive production operations from the U.S. to Mexico where workers are paid 30 cents an hour. In the process the U.S. minimum wage law is evaded by the export of jobs, while on the Mexican side of the border, it is reported that the Mexican minimum wage law is not effectively enforced. On both sides of the border, labor laws of both countries are evaded or often violated. And U.S. government manpower policy is abused as federal training funds are used, at times, to support this effort, which results in the exploitation of labor.

Equally serious problems have been created from the influence of these border programs on the influx of Mexican nationals into the U.S.—as “green card” commuters, temporary commuters or illegal entrants.

Propaganda about the border programs lures Mexicans northward, many of them becoming commuter workers, not knowing the language or U.S. labor laws—understanding labor standards in plants on the U.S.-side of the border, which may be subsidized by the Economic Development Administration or other federal programs to meet U.S. unemployment problems. Now therefore be it.

**RESOLVED:** The United States government should enforce the pertinent laws of the United States concerning labor, trade and customs regulations with Mexico, as with other countries—including labelling laws and declarations of shipping contents.

The United States government should make sure that every federal agency effectively enforces the laws of the United States along the border with Mexico.

We urge the Congress to investigate the use of federal manpower training and anti-poverty funds and the operations of federal agencies to subsidize or promote the export of U.S. jobs to Mexico and the undermining of U.S. labor standards.

The Congress should repeal Section 807 and similar provisions of the tariff code, which provide special low-tariffs on goods assembled or partially produced in Mexico.

The so-called Commission for Border Development and Friendship should not be given statutory authority by Congress.

The AFL-CIO and its affiliated unions will continue to make known to the American public the facts about these problems and the injury to people in both countries—workers, consumers and taxpayers—that is developing.

### Mexican Border Crossing

Wage standards and working conditions in the United States are constantly undermined by unfair competition from Mexican nationals who enter the United States through "green cards," commuter privileges and illegal entries.

The so-called "green card" problem involves Mexicans who are issued I-151 identification cards given to all aliens who are lawfully admitted for permanent residence in the United States. The United States Immigration Service has adopted a "permanent resident" fiction, which in effect allows workers who live in Mexico and commute into the United States to get such cards. This fiction and the law itself have been abused and the number of so-called green card commuters has been growing. Administration of this law is very lax.

In addition, the Immigration Service issues 72-hour passes which bear no date of issuance, which add to the influx of workers who undermine and undercut U.S. wages and working conditions.

A third problem involves the large number of illegal entrants into the U.S. as the border between the two countries has not been effectively policed.

This combination of problems adds up to a persistent undermining of the labor standards and working conditions of U.S. citizens. Strike-breaking and unfair competition with workers seeking their rights to organize on the farms and in the factories of the U.S. have led to increasing troubles along the Southwest border.

With the development of the border industrialization program by the Mexican government, the problem is compounded.

Immediate administrative action to enforce existing laws and adoption of new legislation are required. Therefore be it

**RESOLVED:**

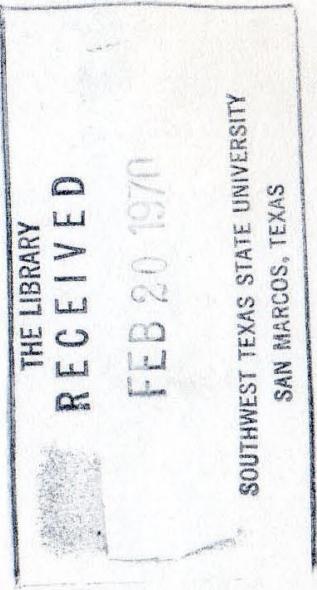
1. The Congress should enact laws and provide for their effective enforcement, which can bring under control the existing widespread use of Mexican commuters which undermines American wage and labor standards, narrows employment opportunities for American workers, and provides a constant threat of strike-breaking. Legislation which would begin to bring this situation under some control is contained in the Kennedy-Feighan Bill, S. 1694 and H.R. 9505 and the Mondale-Thompson Bill, S. 2568 and H.R. 12667. We urge that legislation along these lines be promptly enacted.

2. The U.S. Department of Justice should enforce law along the Southwest border to prevent illegal entry of workers, now undermining U.S. wages and working conditions.

3. The U.S. Department of Justice should stop creating new "green card" commuters and issue regulations to curb the influx and end the abuse of the permanent resident fiction and the 72-hour pass.

4. The U.S. Department of Labor and other government agencies should ensure that those who are legally admitted to this country be protected by the laws of the United States, including fair labor standards, social security, and the right to organization.

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